Money to Lend

The Financial Post

The Canadian Newspaper for Businessmen and Investors

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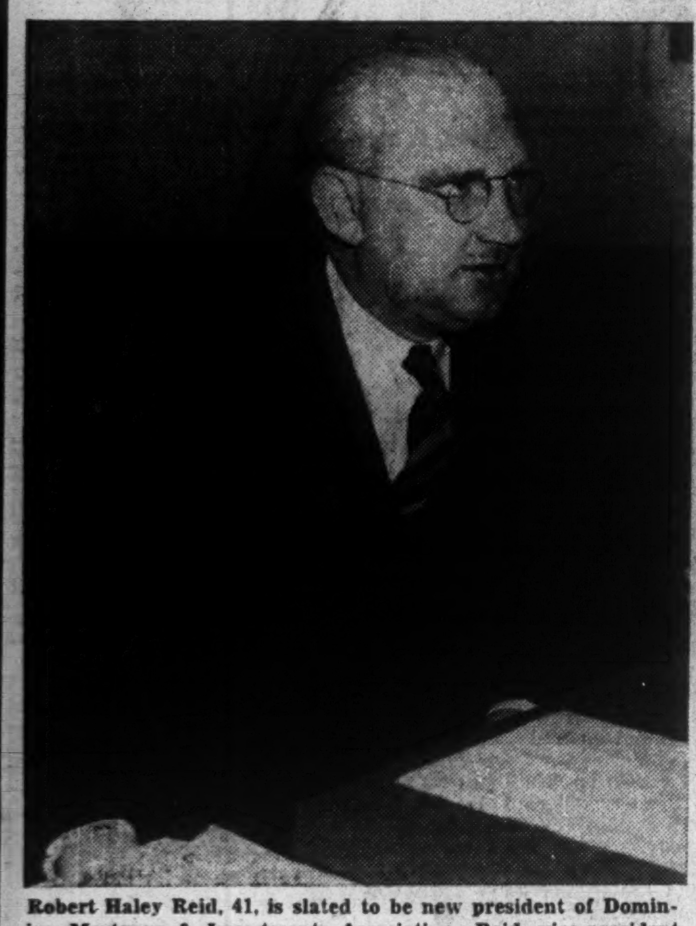

Robert Haley Reid, 41, is slated to be new president of Dominion Mortgage & Investments Association. Reid, vice-president and managing director of London Life Insurance, and president of Housing Enterprises of Canada, thus also heads a 31-year-old organization whose 25 insurance, 16 trust and 13 loan member-companies control close to $3 billions of assets; represent the nation's big source of money for development, construction and housing.

THE NATION'S BUSINESS

Are Defense Plans Really Good Enough?

President Truman has repeated his request that Congress pass legislation "authorizing a program of military collaboration" with all countries in the Western Hemisphere. In this plan he has suggested that Canada be included.

Ottawa's chief interest in the new Truman bill lies in the possibility that we might at some future date want to use its provisions to obtain U. S. military equipment and supplies.

To date both Canada and United States have been careful to pay each other cash for transactions involving purchase of military supplies or equipment. But if Canada's supply of U. S. dollars should run low, the proposed Truman legislation would provide peacetime legislative machinery whereby this country might acquire needed equipment or supplies on some other basis.

Apart from that, the Prime Minister's statement in the Commons this week may be taken at its face value, namely that the Canada-U. S. agreement announced February 12 remains the basis of co-operation between the two countries. This agreement is unquestionably of more basic importance to Canada than anything contained in the Truman bill. It is the groundwork on which Canada-U.S. arrangements for hemispheric defense essentially rests—particularly as respects Arctic co-operation.

Until the UNO shows far more signs of being able to enforce world peace, neither Canada nor any other democratic country can afford to overlook anything that might contribute to its peace and safety. That being the case, does the Truman proposal or the Canada-U.S. agreement go far enough? Is Great Britain adequately linked in such co-ordination plans.

For today's fast and far-travelling armaments, oceans are as easily crossed as land. Britain is now only a little way off, certainly very much closer than far-distant South America and much more surely in the path of any future attack.

The next attack would likely come without notice and at our own doors. No scheme of loose co-operation could be expected to stand up against an onslaught like that. Simply having all troops armed with the same calibre rifles, or doing identical foot drill will not be nearly enough.

Troops in the next war may only be used for occupying territory already conquered, as they were, very largely, in the later phases of the recent war. There must be real integration of all defenses even if this involves some so-called "sacrifice" of national sovereignty. Eventually under any effective UNO plan to maintain peace, there will have to be such a "sacrifice," and a wider Truman scheme might be easily used as a stepping stone toward some eventual world police force.

The time is long past when any country, let alone one so vulnerable as Canada, can hope to defend itself alone. Hitherto we have been content to ally ourselves loosely with Great Britain and the United States. In the light of recent developments, both political and scientific, the adequacy of that policy seems extremely questionable for today.

* * *

Europe Must Produce

Much more is going to be heard of the world's so-called "dollar crisis" in the coming weeks. Undoubtedly the situation will get worse before it can get better. And it can't get better without some hard thinking and quite likely some further financial sacrifice on the part of Canada and the United States and a return to order and hard work in Europe and Asia.

Both Canada and the United States are selling Europe far more than Europe is selling them, and the spread is still widening. In the first quarter of 1947 U. S. exports were $3.6 billions as compared with $2.6 billions for the same period a year ago. Imports on the other hand showed practically no change at $1.4 billion. At the present rate the United States will export $10 billions more this year than it will import. One-sided trade like that cannot continue long without more credit. And only more production abroad to balance these huge American exports can correct it permanently.

Reduced to simplest terms much of war damaged Europe and Asia may be compared with a factory badly gutted by fire. Before the workers depending on that factory can get busy and produce goods to give them a livelihood the machinery and building must be restored. That is where the dollars come in, the credit extended by Canada and the United States.

Of all the countries in the world, these two are the ones which have the industrial, food and financial resources capable of handling such a job. Other undamaged countries can and should help, but the bulk of the support must come from North America.

And that support should not be confused with charity. Aside altogether from decency and goodwill, it is sound business to rebuild Europe and Asia. No part of the world can be either safe or prosperous if a large part of the remainder is not. Neither the Atlantic nor the Pacific are broad enough to insulate us against chaos in Europe and Asia, and without steady buyers in those areas for our surplus production, Canadian industry is finished.

In the meantime Canada can do little without the effective cooperation of the United States. As our Ottawa editor points out, no matter how desirable are further immediate loans to Europe, these are prevented by our own shortage of U. S. dollars.

To produce more goods for Europe, and that is exactly what these loans really amount to, we must import more key materials from the United States. Normally we would pay for the excess of such imports over exports out of our extra sales exports abroad. But sales abroad today are largely on credit but our purchases from Uncle Sam are not.

'Cuff' Buying Back Not Pre-war Scale

More Canadians are shopping "on the cuff" these days, but installment practice hasn't yet deteriorated to the "Dollar Down" days of the '30's, a survey by The Financial Post indicates.

Consumer credit has been mounting steadily in recent months. Canadian retailers are unanimous on that point. In Toronto, for instance, a large furniture dealer finds his credit sales up 25% within two months, while his cash sales declined by an equal amount.

Businessmen, analyzing the trend, agree generally on certain contributing causes, but differ in the emphasis they place upon them.

Lifting of federal controls, coupled with return of many durable items to the market, are the cause, explain some large retailers. Deterioration of the income position of the consumer is hardly a factor, they insist. These retailers have found buyers ready to pay 25% to 30% down payment, though lesser amounts are accepted. They have encountered little difficulty in collections.

Family Earnings Lower

Against this, other retailers say consumer credit is mounting more rapidly than the production of durable goods. The "Gravy Train" has run its course, and many people genuinely need credit. While the basic wage rate of the family breadwinner hasn't dropped, the income of the "family group" has. Reason is the absence of overtime, and fewer members of the family working. These retailers say collections have been more difficult.

A major retailer of electrical appliances says 75% of his prewar sales were on the installment plan. After dropping to practically nil during the war, the ratio has now bounced back to 30%.

An acceptance corporation reports 400% more business than a year ago, largely due to the return of refrigerators, radios, automobiles, etc., to the market. The end of rehabilitation credits is given as another factor.

More Than Pre-war

One large Canadian store has more consumer credit on its books than it did in the years immedi-

(Continued on page 2, col. 6)

Ont. Dealers Ask Consumer Credit Control

Hon. Leslie Blackwell, Attorney-General of Ontario, has on his desk the draft of a proposed bill which, if passed by the Legislature, would regulate the granting of credit to Ontario consumers.

The proposed bill, as drafted by the Retail Merchants' Association of Ontario, would provide for:

1. Minimum down payment of 10%.
2. Maximum of 36 months to pay off balance.
3. Compulsory carrying charge of not less than ½% and not more than 1%.

The attorney-general's attitude toward the proposals is not known. It is understood, however, that, in any case, the bill will not be ready for submission to the Legislature at the session which will resume June 12. Interested parties will have an opportunity of making submissions to the government.

Opposition is expected from the Credit Grantors' Association. A resolution to this effect was passed Monday, and a committee was instructed to work on formal submissions. Though opinion was not unanimous, the majority of members feel that trade can best look after its own credit matters.

Dollar Crisis Didn't Dictate Currency Curb

OTTAWA (Staff) — Government action to reimpose a check on circulation of U. S. currency in this country should not be confused with any pending or prospective plans to head off the anticipated "dollar crisis."

The new regulations would have been imposed irrespective of the increasing seriousness of Canada's over-all dollar shortage. They are thought necessary to proper administration of tourist and traveller exchange requirements. They do not in any way change the amount of U. S. funds which a prospective Canadian traveller can obtain. The $500 limit obtainable at a bank without application to the Foreign Exchange Control Board still holds.

Reimposition of the "H" form travel permit was found necessary because of abuse of earlier privileges which permitted up to $100 to be obtained without permit. Up until about two months ago, even this $100 could be obtained without identification or without an "F.T." receipt. The identification and F.T. receipt regulations were reimposed two months ago because it was found that many people, especially at border points, were accumulating U. S. dollars for resale in the United States. Now a further check, reimposing the "H" form for anyone wanting to take more than $10 U. S. out of Canada, plus a penalty for anyone holding more than $10 U. S. in his possession have been imposed.

The latter requirement is to prevent hoarding and speculative accumulation of U. S. dollars to an extent which might have robbed authorities of considerable dollar earnings from the forthcoming tourist business.

$500 Millions Credit Available Under IMF Plan

OTTAWA (Staff — The International Monetary Fund which started to work this week could make available immediately about $500 millions of credit to Britain and western Europe — if they needed it, or were prepared to seek advances. Half of this amount would be available to Britain.

This week France got $25 millions in dollar exchange assistance from the fund and Holland got $12 millions, equally divided between dollars and sterling.

Borrowing limit on the fund for chief countries in western Europe is Britain $1.3 billions; France $525 millions; Holland $250 millions; Belgium $225 millions; Italy $180 millions; Denmark $68 millions and Norway $50 millions. But each country can draw only up to 25% of these quotas within a year.

It has been indicated that Britain will draw on the fund only as a last resort or if she feels that by so doing she could "put herself over the hump" without loss of prestige. If assistance from the fund merely postponed an inevitable day of reckoning in terms of dollar scarcity, there is no question that Britain would stick to her present intention not to ask or seek its assistance.

Farm Products Next in Line For Decontrol

OTTAWA (Staff) — Key decisions affecting price control of a number of important farm products are under Cabinet review here; but authorities are reputedly slow to take action which might cause a further cry from consumer electorate about the rapidly rising cost of living.

However, seasonal considerations weigh strongly in favor of something being done. On at least a number of items, action must either be taken almost immediately at the point of low seasonal production, or be postponed for anything up to a year. Since governmental powers expire considerably before June, 1948, the obvious time for decontrol action is now.

Definite decision is expected soon, and at least some new decontrol measures can be expected in early June.

Rule Clarifies Tax Deductions

OTTAWA (Staff)—A recent directive of the income tax branch, Dept. of National Revenue, clarifies regulations governing deductions from income for industrial engineers and efficiency experts, as follows:

"It is in order to allow as an expense chargeable to income of a business enterprise, any reasonable charges by engineers, efficiency experts and others in the same general class, provided there is satisfactory evidence that services for which charges have been made have actually been rendered and were for the purpose of earning or maintaining income and not for capital purposes or related to capital transactions. An engineer's charge in connection with the installation and trial run of a new machine in a factory would be a charge to capital. A survey of a plant preparatory to its sale would be a capital charge also. But an account for a survey of the factory to improve its efficiency might properly be charged to income.

"Expenditures which it is determined are admissible as a charge against income may be allowed in full in the year in which made. No pro-rating over

(Continued on page 2, col. 1)

Indian Money May Finance Canad'n Studio

A British movie company, British National Films is angling for the vacant, war surplus buildings of the Toronto Shipbuilding Co., The Financial Post is told.

The chief moving force in the British firm is Louis H. Jackson, managing director and executive producer of British National Films. He is the chief rival in Britain of the United Kingdom's No. I movie mogul, J. Arthur Rank.

And by coincidence both were in Toronto the other day: Rank on one of his periodic inspections of his vast holdings; Jackson trying to line up facilities with which to begin producing Canadian-made films.

Jackson's financial backing is substantial. It comes mainly from the Lady Yule estate, estimated at some $250 millions. Before coming to Canada, Jackson stopped off at Bermuda and revealed that the Yule estate was behind the purchase of the three hotels there; the Belmont Manor, the Ravello Gardens and the Inverurie.

The Yule fortunes were built over some generations mainly in an India trading house. It is reported that a requirement of the estate is that all funds were to be withdrawn from India if and when the British "left" India. With that event now in course, liquidation is under way.

Lady Yule, elderly and vivacious, is taking an active and detailed interest in the progress of plans to invest in Canada.

Jackson is now back in Britain, seeking government permission

(Continued on page 2, col. 3)

Lower Margins For Stocks?

A further reduction in margin requirements for stocks is under consideration by both the Montreal and Toronto stock exchanges, The Financial Post understands. Although several meetings have been held in this connection no decision has been reached, it was stated at press time. It is believed, however, that sentiment favors a reduction and some action may be expected soon.

Reports, which lack confirmation, suggest that the present minimum of 50% would be reduced to 33 1/3%. Minimum margin requirements at present call for:

Toronto: 50% on stocks selling $2 a share and over; no margin allowed on transactions in stocks under $2 a share.

Montreal: Cash for stocks selling $1 a share and under and 50% on stocks selling more than $1 a share; minimum margin of $1 a share, which must be maintained. Deals in mining and oil issues not traded in on any recognized stock exchange, call for cash payment.

A number of the more conservative brokers are believed to oppose any change and are likely to require higher margins than the minimum requirements. Some firms at present do no margin business at all.

Late last week a spokesman for the Federal Reserve Board stated that no cut in margins was contemplated in the United States at present. A 75% margin is required there.

Canada Halts Loans Needs U. S. Dollars

Hope "Continental Plan" to Level Currency and Trading Barriers in Europe May Help Ease Crisis Before More Drastic Course Forced

By KENNETH R. WILSON

OTTAWA (Staff)—Return of Graham Towers from Britain is said to have amply "confirmed" the concern about an impending dollar crisis, as put forward here recently by British Treasury experts. But this has not, as yet, brought any clearcut solution for Canada.

At the moment, the chief decision made is a negative one: that Canada cannot, for the time being, involve herself in a new, expensive program of foreign lending and export credits.

France, for example, has been told that the Dominion cannot consider a further substantial export credit. Canada's total credit to France has been over $240 millions and is now completely committed. The French are clearly very disappointed at the Canadian decision. They need goods which Canada can supply, and feel it is short-sighted for Canada to refuse to underwrite these purchases and her own domestic employment, by further credits.

Ottawa's view is that a halt must be called to foreign credits which aggravate, if anything, the present precarious unbalance of our dollar position. In short, while we continue to run a dangerously large dollar deficit in United States, some attempt must be made to put our overseas sales on a "cash" basis.

Can't Halt Drain Alone

This attitude might change if there were tangible evidence of a concerted move by United States to work out some long-run plan for European reconstruction. Lacking such a plan, the Canadian view is that we could not, with our very limited resources, check unaided the staggering and unprecedented dollar drain now sapping the life blood out of world trade and exchange. This dollar drain is now estimated authoritatively at Washington to be of the order of $1 billion a month; 50% greater than in 1946.

Put in figures, the U. S. story is like this: in 1946, United States exported goods and services valued at $15.3 billions. Imports in that year were less than half, or $7.1 billions. The $8 billion gap was met as follows: U. S. long- and short-term credits $3 billions; U. S. gifts and transfers $3 billions; liquidation by foreigners of their assets (including gold) $2 billions.

But in the first quarter of 1947, the deficit has rapidly widened due to inability of world credit production to match the overwhelming output of U. S. productive capacity. Thus in January, February and March, United States exported goods and services valued at $4.9 billions while receiving only $1.9 billions in return.

The deficit was closed by foreigners drawing to the extent of $1.2 billions on their long- and short-term assets (including gold); by U. S. loans and credits of $1.2 billions and by U. S. gifts and transfers of $700 millions. The latter includes goods owned by American lend-lease authorities, by UNRRA and the U. S. army. Obviously, this source of aid is rapidly drying up, as is also the ability of foreigners to continue liquidation of their gold and other assets.

"Continental Plan" Hinted

Of considerable interest here is the current talk at Washington of a possible "continental plan" for aid to Europe and Britain. Such a plan was discussed this week at some length by James Reston, diplomatic correspondent of the New York Times. It suggests that American aid to Britain and Europe would be much more feasible and of a much more permanent character if some concerted export were made (preferably with Russian co-operation) toward removal in Europe of currency and trading barriers; a rationing of scarce materials, and a priority system for economic reconstruction.

It is argued, for example, that European recovery would be now much further ahead if some intelligent plan had been worked out to insure greater application of U. S. aid toward the central problem of increasing Europe's coal supply. As it is, much of the assistance given has been used for other less fundamental purposes, thus postponing in some measure the time when Britain, France and Italy can stand on their own feet.

Were such a program to be worked out, Canada would unquestionably be interested and would co-operate to a very considerable degree. Meanwhile, every effort will be made to avoid drastic control measures of a kind which would put an unnecessary strain on relations between Canada and United States. In short, there is still hope here, as in London, that some "hostage" to the multilateral trading system may yet appear in Washington, before a world-wide dollar famine brings its own drastic remedies and curtailments.

Inside News

Must Widen Trade

Canada must trade two ways with the world, or sink into economic depression and general impoverishment, speakers warned at the fifth national foreign trade conference of the Canadian Chamber of Commerce, in Vancouver. The gathering insisted that multilateral, instead of bilateral, trading is essential to world solvency (p. 16).

How Big is Leduc?

Will "black gold" from Alberta's new Leduc field float the Prairies along to a more efficient economy and prosperity? The Financial Post's mining editor analyzes the prospects of the new oil find; reports they have increased in recent weeks (p. 13).

Rail Earnings Slump

While the Board of Transport Commissioners opens hearings in the Maritime provinces, on railway freight rates, the railways are debating how long they can carry on, if earnings continue to dwindle at the present pace. CPR net earnings for first quarter 1947 are down 70% from a year before; CNR down 25% (p. 10).

Income Tax Headaches

If you want to keep out of trouble with the Income Tax Dept., it is wise to file a return every year, even if your income is below taxable levels. The Financial Post's Banking and Insurance editor outlines many of the headaches which ignorance of income tax regulations, may bring a citizen (p. 14).

New U.K. Tory Platform

British Conservatives have drafted a new industrial platform; will not seek to de-nationalize the coal mines, the railways, or the Bank of England, but will oppose further socialization. A Royal Commission probe of co-operative society trading methods may be asked. London Calling, by Adelphi (p. 24).

Fire and Tire Unit

A small cylinder containing 10 pounds of carbon dioxide under pressure — enough to put out an oil or gas fire, or to inflate three average-size automobile tires has been produced in Canada. A new camera for rapid testing of apparatus used in generation and transmission of electrics, operates at speed of one-millionth of a second. What's New in Business (p. 12).

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H.T.Hunter Gives Report To 900,000 Subscribers

Maclean-Hunter's President Reports New Records Established — Expansion Expenditures Indicate Faith in Canada's Future

Another year in which all previous records of income, employment and service to advertisers and subscribers were broken was reported by President Horace T. Hunter at the annual meeting of Maclean-Hunter Publishing Company Limited.

Highlights of Mr. Hunter's address follow:

This is the 60th anniversary of the founding of this Company.

Sixty years ago there was one publication, one editor, one manager, a few hundred subscribers, and a score or so of advertisers. Today we have 35 publications, a loyal well-trained full-time staff of 1,186, many part-time correspondents, writers and subscription agents, over 900,000 subscribers with an estimated 3½ million readers, and over 6,000 advertisers.

Record Year

Total revenue for the year 1946 amounted to $7,373,037, an increase of $1,094,321.

Out of every $100 of revenue we spend:

for wages, salaries (all departments), commissions and travelling expenses	$61.38
for material, paper, ink, engravings and miscellaneous purchases	21.47
depreciation on equipment and buildings	1.48
for postage	3.60
for taxes	4.88
for pension and group insurance	1.45
dividends, bond interest and surplus	5.74
	$100.00

These figures vary little from year to year. They are, therefore, worth close study.

Wages Big Item

You will note that out of every $100 of revenue wages plus materials (the bulk of which is also wages) amount to over $82.50. Any increase in wages, therefore, must be met by a greater degree of efficiency in production in all departments or by increased revenue from subscriptions and advertising.

Return on invested capital is less than 6c. on every dollar of sales. This is much less than the amount that is generally regarded as a safe and fair margin for publishers of business newspapers and magazines.

It is very important to employees, subscribers and advertisers that adequate provision be made for maintenance of editorial services in depression years, and also that surplus be established to provide for new features and general expansion of the business. To stand still is in reality to go backward and the profit margin would soon disappear entirely.

Then, too, a large proportion of our expenditures are fixed and can only be reduced very slowly in the event of a decline in advertising revenue. Our publications must be produced and mailed to subscribers without interruption. In this respect our business resembles, to some extent, the railway business which must maintain road beds, equipment

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Use Tact In Telling Taxpayer When He's Wrong Ottawa Rules

OTTAWA (Staff)—More consideration for the human side of tax collection is forecast in a new directive recently issued by Frank H. Brown, deputy minister for taxation, Department of National Revenue.

The new instructions sent out earlier this month to all offices of the department require that all taxpayers be given an explanation whenever their own estimate of tax payable is not acceptable to the Government. Says Mr. Brown:

"It is important not only that the taxpayer should be given an explanation invariably, but that it should be tactful, clear and well-reasoned. No off-hand, peremptory or sharp-edged statement will meet the requirements. We are touching the taxpayer in a very sensitive spot and must be careful and as decent as a doctor who has bad news for a patient. Here is one place where a knowledge of human relations is of importance in our work. A further tax of $2.50 may be as important to one taxpayer as a charge of $1,000 to another."

The Pace of Business

$5,784,529 worth of new and used cars financed in April compared with $2,574,123 April last year. Number of vehicles: 4,171 (2,340 a year ago).

April steel ingot production down 7% to 244,988 tons from March postwar high, but still 2.3% over April, 1946. Total production first four months 1947, 974,862 compared with 939,804 last year.

Sharp gain in senior golds sparked a first-class rally in the Canadian gold stock market this week. Main reason: rumored chances of a higher gold price. TSE gold index showed better than 11-point gain on week. Canadian industrials improved but more narrowly.

Value of stock listings declined $159 millions or 2.2% on Montreal Stock Exchange and Curb in April. Golds biggest losers (off $71 millions), but pulp and papers, miscellaneous industrials, also dropped $51 and $40 millions respectively.

9% higher sales for Canadian department stores in April compared with same 1946 month. Sales 7% below March, 1947, when bulk of Easter buying completed.

Commercial failures totalled 120 the first quarter of 1947, the largest for like period any year since 1943. But number considerably lower than pre-war; compares with 371 for first quarter of 1939.

253,00 more workers were employed March 1, 1947, than at same date 1946, DBS estimates. Greatest increase was 101,000 for Ontario. Unemployment March 1, 1947, was 141,000 compared with 213,000 Feb. 23, 1946.

Nearly 85,000 immigrants entered Canada between Sept. 30, 1945, and April 15, 1947. Over 55,000 came from British Isles. Entrants from U. S. more than 15,000.

New housing units completed 1946 numbered 63,367 in 53,199 buildings. Urban housing 71% of total.

80,000 dwellings will be built in 1947 with 100,000 a year expected for three or four years starting 1948, Hon. C. D. Howe forecasts. Prediction made that 1947 will be one of biggest building years although lack of skilled labor a great handicap.

Less milk expected and downward trend of dairy cattle population forecast. At moment Canada has one cow to each three persons. March milk sales showed 3½% decline compared with same 1946 month.

Breakdown of imports shows $208.9 millions March total, with most groups at three to four times 1938 level. Largest groups and all triple 1938 figure were: iron and products, $60.4 millions; fibres, textiles and textile products, $37.7 millions; nonmetallic minerals and products, $30.2 millions; agricultural and vegetable products, $28.8 millions.

Cool Colour for Summer

The colours you wear often mean the difference between sweltering in the summer sun and taking it calmly in your stride . . . looking cool and unruffled. Such refreshing colours are to be found among EATON'S extensive selection of Spring and Summer neckwear. Here you'll see light, airy pastel stripes . . . crisp, fresh-looking Modernistics . . . deep, cool-looking all-over patterns . . . each carefully made from fine silk, rayon or woollen material . . . ties that reflect correct, summer-time tastes of better-dressed men.

EATON'S

What Mine Heads Say About New Gold Price

Although few Canadian gold mines are emulating McIntyre Porcupine Mines and storing bullion in anticipation of a price boost, some other mine presidents believe gold will go higher, a survey by The Financial Post indicates.

Unanimous opinion is that $35 an ounce for gold is out of line—as a price—when increases in price of other commodities are considered. More than one official claimed $50 an ounce would be a fair price for gold now. But views were not so unanimous on the sequence of events which might lead authorities to establish a higher price for gold.

Mr. Murdoch Thinks So

"I think they will have to revalue gold eventually," declared J. Y. Murdoch, president of Noranda Mines and other large gold producers. "But I don't see it happening immediately. There are too many things to be settled first in the way of loans, tariffs, etc. I think Ottawa made a mistake in putting the Canadian dollar back at par although they haven't admitted it. The people at Ottawa, I think, might eventually get us back to a 90c. dollar, perhaps by 5c. reductions at a time. That is my guess.

"I don't believe storing of gold after the McIntyre pattern has been general. I don't know of anyone else that has been doing it."

An Anonymous View

Another president of a large Canadian gold mine thought a program to (a) raise the price of gold and (b) tie world currencies to a gold standard, might solve the world's economic ills.

"They say the price of gold can't be raised because it would lead to inflation," he declared. "But we have inflation already, haven't we? Wouldn't it be better to raise the price of gold to at least part of its real worth, say to $50, and give currencies a real gold backing, than to have inflation really blow the lid off otherwise?

"When gold sold at $20.67 an ounce, wages were about $1 a day. Today gold is $35 an ounce and a man gets $8 to $10 a day. No one can tell me that the real intrinsic value of an ounce of gold hasn't gone up—if governments would only realize it."

E. H. Walker, president of Paymaster Consolidated Mines, was of the definite opinion that a discount for the dollar was not too far away.

"My opinion is that we must definitely have a devaluation," he declared. "How can it be otherwise, when we are going behind $70 millions a month to the United States and selling the European market 'on the cuff.'

"A banker told me recently that there had been such a run on U. S. funds here that the banks had to bring in U. S. currency from the United States to meet the demand. I don't think this situation would have developed if there weren't an obvious lack of confidence in the present level of the Canadian dollar."

Bert W. Lang, president of Broulan Porcupine Mines and Bonetal Gold Mines, Porcupine producers, called for united action to raise the price of gold 50%:

"Canada, the United States and other countries must increase the price of gold by about 50% soon to get the substantial increase in world gold production necessary to maintain international finance and trade on a sound and prosperous basis and to build adequate reserves as a backing for debts and currency in circulation, both now many times prewar levels.

"The communist-socialist propaganda for a managed currency and economy has no doubt delayed the inevitable revision in the price of gold. Canada may find it necessary to make a revision in the price of gold before a revision is made by other countries."

'A Wonderful Thing"

Joseph McDonough, president, Madsen Red Lake Gold Mines, declared:

"Like everyone else, I hear a lot of stories about revaluation of gold. Most of them appear to be little more than that—stories. But with Ottawa calling in the U. S. currency it is pretty obvious that there is hoarding going on and that may not be without significance.

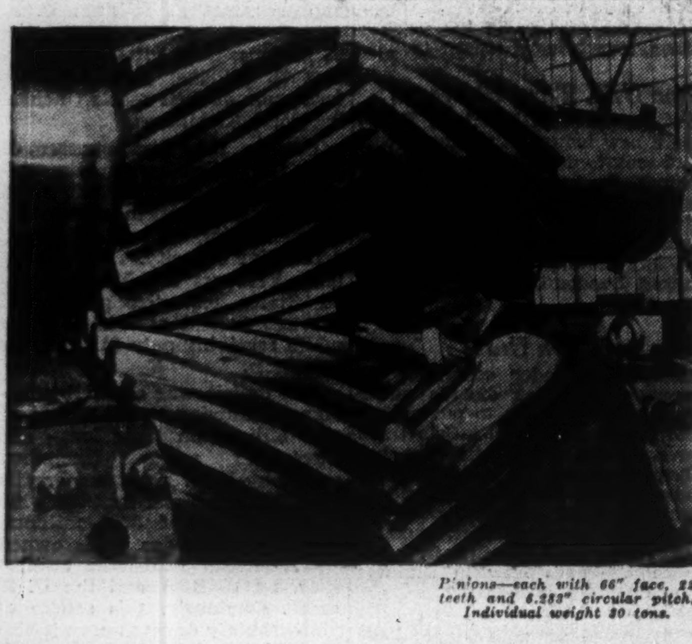
"We brought up the question of possibly not selling our bullion at our last Madsen directors' meeting. But one of our directors felt this might not be the thing to do and no action was taken."

Rule Clarifies Tax Deductions

(Continued from page 1)

several years is necessary although there is no objection to accepting such pro-rating if this is in accordance with a consistent policy on the part of the taxpayer."

In connection with the recent budget announcement which puts Aug. 1 as the last day for applications re determination of standard profits, the department has ruled that properly completed forms and questionnaires must be filed on or before July 31 in order to be referred to the Board of Referees. If forms and claims are not complete, taxpayers will be warned by district officers, but they will only be forwarded to the Board if complete particulars are received prior to the end of July.



Pinions—each with 66" face, 22 teeth and 6.283" circular pitch. Individual weight 20 tons.

World's Largest Pitch Pinions Generated by "Dominion"

In the generating of these pinions, made for the Steel Company of Canada, Dominion Engineering used a hydraulic-electric generator designed and constructed in "Dominion's" own plant. The fashioning of this special equipment called for expert engineering knowledge, high technical skill and the most modern machines.

These facilities which enabled Dominion's Industrial Division to generate the world's largest pitch pinions are also available to produce the best in Industrial, Diesel, Hydraulic, Manufacturing and Paper Machinery.

DOMINION ENGINEERING COMPANY LIMITED

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Please send THE FINANCIAL POST regularly. Enclosed:
☐ $5.00 for one year. ☐ $10.00 for two years.

Company ....
Attention of ....
Street address ....
City & province ....
Nature of business A-10

Business Failures Rise In Competitive Market

It's taking greater efficiency to run a business successfully now, than during the war, bankers and credit men say. The result is that commercial failures are increasing. For the first quarter of 1947 they totalled 120 for all Canada, the highest figure since 1943 when they numbered 130. In the first three months of 1939 they were 371. The low point reached was 54 in 1946.

The greater proportion are said to be in trade (wholesale and retail) and small manufacturing businesses, many of which were started during the war to manufacture war equipment. In many cases ownership and management are described as inexperienced and unable to compete in an economy free of controls. During the war, with demand for most goods exceeding supply, it was easy to make money, but the situation is different now.

"In the war years a man did not have to be a salesman to be able to sell. All he had to do was to take orders. Neither did an executive have to be a good manager. Strong markets and government controls to a large extent took care of his mistakes. Now the salesman is having to go out and sell again and management has to watch expenses and revenues. It has to find some way to overcome the consumer resistence to high prices which is developing in some quarters," one banker stated.

Another said most of the failures were in businesses owned or managed by young inexperienced men without any great capital reserve. Among retailers and wholesalers some difficulty is said to be due to large stocks. A year or so ago, many tradesmen placed orders for goods which are only now being delivered. Meanwhile consumer resistance has stiffened and goods are tending to accumulate. Manufacturers who have had difficulty reconverting to peacetime operations also have been hard hit. There has been a greater tendency to defer payments and this has hit some small tradesmen hard.

Veteran enterprises, however, were said to form a relatively small proportion of the total failures, the veteran enterprise in many cases being better financed through rehabilitation grants, veterans' loans and so on.

In no quarter was the situation thought alarming. A total of 120 failures in the first three months of 1947 compared with 371 in 1939 or 318 in 1938 is no cause for anxiety bankers say. But the fact of an increase points to the need of closer attention to business, greater sales efforts and keener watch over unnecessary expenditures and waste.

Indian Money For Studio Here

(Continued from page 1)

to transfer necessary funds to start the Canadian program.

Negotiations Under Way

Preliminary negotiations toward the purchase of the Toronto buildings have already started. Jackson has already talked with Toronto civic officials and is hopeful that the deal will go through.

Vacant since the last corvette and minesweepers were built there, the high-roof buildings and extensive yards are said suited for production of sound films which is the intention of the British company.

This is the property once owned by James Franceschini under the name, Dufferin Shipbuilding, the first step in a shipbuilding program which at its peak, employed close to 10,000. Later the Government bought the plant for $975,000 and turned the management over to Redfern Construction Co.

At that time however, no building or property has been mentioned. All Jackson would say was that it was close to the city (Toronto Shipbuilding is on the waterfront, just 10 minutes from downtown Toronto) and that it was large enough to accommodate five sound stages.

Jackson's major British productions to date have been; the film version of the Canadian navy revue, "Meet the Navy"; "Murder in Reverse"; "Love on the Dole"; "Waltz Time"; "Gaslight" and "Pimpernel Smith."

Flaxseed Shortage May Close Plants

MONTREAL (Staff) — An apparent shortage of flaxseed has reached serious proportions. One company at least is virtually certain to shut its plant. Canada Linseed Oil Mills, an affiliate of Dominion Oilcloth & Linoleum Co. will be forced to close by the middle of next month, The Financial Post is informed.

While the present shortage of flaxseed will not have an immediate effect on oilcloth and linoleum production, there is likely to be a delayed action, it is stated. Inventories of raw materials used in linoleum manufacture are usually carried about six months ahead.

Look For It Here

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ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Aluminum Co. of Canada—Paul S. White, vice-president and treasurer.

Bank of Nova Scotia—C. G. Webster, manager, London (Eng.) branch.

British Columbia Research Council—Ronald W. Klinck, head of engineering division.

Cost and Management Institute of Quebec—D. R. Patton (Montreal) president.

Federal Electric Manufacturing Co. (Montreal) — Roy E. DeLay, vice-president and managing director; W. A. Steel, chief engineer.

W. Clark Ltd. (Montreal) — Gordon C. Williams, vice-president in charge of sales and advertising.

Canadian Canners Ltd. (Hamilton)—F. S. Corrigan (Toronto) a director.

Canadian National Railways — W. S. Hewson, transportation superintendent, B. C. district.

Canadian Institute of Steel Construction—George E. Treloar (Toronto), president; E. M. Seale (Montreal), Frank P. Flett (Toronto), vice-presidents; H. W. Short (Montreal), treasurer.

Canadian Pacific Railway Co. — Fred. L. Laidlaw, public relations officer, Banff.

Canadian Pacific Express Co. — P. L. Napier, agent, Ottawa.

A. Cross & Co.—David D. Martin, Ontario manager.

Direct-Winters Transport — Donald Rowan, Jr., sales manager.

Dryden Paper Co.—E. Lorne Goodall, manager-director.

Dominion Government — J. A. Hutchison (Edmonton), superintendent, Banff National Park.

Harry E. Foster Advertising Agencies (Toronto)—M. K. Pike, C. F. W. Burns, J. G. Counsell, directors.

Foundation Co. of Canada (Montreal)—C. E. Grearson, vice-president and treasurer; W. U. Smick, vice-president of engineering construction; A. G. Sullivan, secretary.

Investment Dealers' Association of Canada—A. H. Williamson, chairman and president, Pacific Coast section.

Kelvinator of Canada Ltd. (London, Ont.)—Wilfrid Watson, assistant to president.

Pennsylvania Railroad — S. S. Salter, Canadian freight agent (Toronto); K. W. Stein, district freight and passenger agent (Montreal).

Provincial Paper Ltd.—A. G. Scott, assistant director of manufacturing, Port Arthur; W. J. Morris, manager of purchases, Toronto; W. C. Reynolds, office manager, Georgetown.

René T. Leclerc, Inc. (Montreal)—Gerard Gingras, a director.

James Fisher Co. (Toronto)—H. V. Petersen, account executive.

Trans-Canada Air Lines—Richard Sellors, district traffic manager, Moncton; A. E. MacKay regional space control supervisor, Halifax.

Trust Companies Association of Ontario — J. W. Scott (Kitchener) president; Henry E. Langford (Toronto) vice-president; Laurence G. Goodenough (Toronto) secretary-treasurer.

Tax Chief Stays Until Suitable Successor Found

OTTAWA (Staff) — There have been no new recent developments here, looking toward a successor for Frank H. Brown as deputy minister for taxation, Dept. of National Revenue. The admitted difficulty is to find a man to take on the job. Meanwhile, and presumably until a successor can be found, Mr. Brown will continue as deputy, even though his resignation, on grounds of health, has been received.

Installment Buying Is Up

(Continued from page 1)

ately before the war or in the early war period, before federal credit control. The increase is attributed to larger unit price and growth of business generally. Ratio of credit sales to total sales has bounced back to its pre-war level.

The same firm reported an average down-payment of 10%, back to pre-war. This was the lowest quoted by any of the retailers canvassed. Others reported 15% to 20%, and some a bit higher. A furniture retailer averaged 25% down between Jan. 1 and April 30.

While down payments on appliances may run as low as 10%, at least 30% is required on purchase of an automobile. Used cars are selling at such swollen prices today, that auto dealers want to see a sizeable slice in cash before they agree to sell.

Dominion Bureau of Statistics reports that 8,587 new motor vehicles, passenger and commercial, were financed during the first quarter of 1947, an increase of 227.7% over the same period in 1946. The amount of financing involved increased by 255.5%; financing on individual vehicles increased slightly more than 8%.

Big Jump on Used Cars

DBS reports 9,962 used cars, both passenger and commercial, financed during the first quarter of this year, an increase of 35.4% over 1946. Amount involved was up 86.8%, a 12% increase in the financing of each car.

Banks and personal loan companies say more Canadians are seeking their services; one report is that the increase is "substantial."

Another repercussion travels back along production lines from retailer to wholesaler to manufacturer. All have their eye on the mounting consumer credit; hence, greater caution in the granting of commercial credit.

This dovetails into the inventory picture. As inventories build up, businessmen recall the experience of 1930 when many consumers voluntarily allowed durable items to be repossessed. The reason: New models could be obtained at prices lower than the installments still to be paid on earlier models.

Frown on "Nothing Down"

Some retailers note that the odd firm is advertising "Nothing Down." While the practice isn't general, they see dangers in it, and are shying away from too-lengthy loans.

"We still get 20% down on most items, possibly 15% on a $300 radio, maybe two years to pay off a refrigerator," one retailer explained. "But, when a customer is seeking too-easy credit terms, we investigate his standing pretty carefully."

Apparently most other retailers are doing the same, for there has been a lively demand upon credit reporting services.

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

YOUNG EXECUTIVE

EXPERIENCED IN secretary-treasurer position, company law, accounting, standard costs, and office management, will consider either part time or responsible permanent position in Toronto. Married, university degree, service record. Can furnish excellent character references on request. For personal interview write c/o Box 198, The Financial Post, Toronto 2, Ont.

SENIOR ACCOUNTANT

THOROUGHLY EXPERIENCED in cost, standard cost and general financial accounting and system installation. Experienced in merchandising, sales promotion and exports and of demonstrated organizing ability and integrity. Permanent and promising position sought at reasonable remuneration anywhere in Canada. Box 196, The Financial Post, Toronto 2, Ont.

MINING

NEW DISCOVERY: Lead, Zinc and Silver. Prospect for sale. By surface showing good grade Milling Ore. Fine climate, position. Terms reasonable. F. Rickward, Renalta, B.C.

ATTENTION MANUFACTURERS

ADDITIONAL HARDWARE lines required on basis of Manufacturers Agent or Manufacturers Representative in Ontario, excellent connections. Gordon R. Brown Sales Company, 43 Lessard Ave., Toronto 9, Ontario. LY. 1955.

Sound Investment Offered Grocery Store for Sale

LOCATED ON Main Street, Val d'Or, Quebec. Box 181, The Financial Post, Toronto.

Sound Investment Partner Wanted

FOR INTERESTING commercial building proposition on Main Street, Val d'Or, Quebec. Box 182, The Financial Post, Toronto.

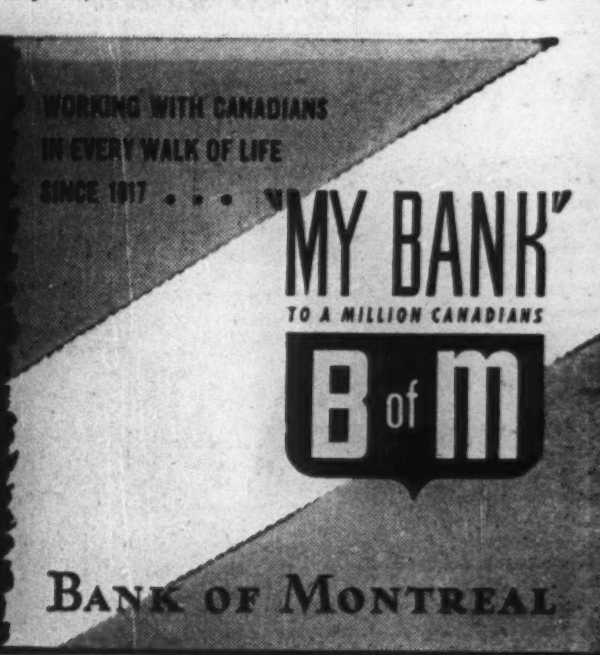
ATTENTION

SOME BANK or trust company tried to locate one Ducharme family in Manitoba between 1914 and 1925. Please contact Box 193, The Financial Post, Toronto.

FOR SALE
Valuable Business Block

Centre of business section in progressive City of North Bay, Ont., building of solid brick construction, size 33'9" x 65' deep. Comprising of two stores on street floor—three offices and one large apartment on second floor—spacious rear property—private lane. Excellent building and location for chain store or general business. For further particulars.

Box 194, The Financial Post, Toronto.



USED CAR SALES

Largest and most successful used car business in north Toronto. Long established in one location. High percentage repeat business. Excellent reputation. All records open, will stand closest investigation.

All Inquiries Answered.

For appointment write Box 199, THE FINANCIAL POST TORONTO

JUNIOR EXECUTIVE AVAILABLE

Ex-R.C.E.M.E. Officer, age 25, has B.A.Sc. in ELECTRICAL ENGINEERING, Master's degree in COMMERCE and training in INDUSTRIAL RELATIONS. Desires affiliation with progressive organization offering prospects for advancement.

BOX 197, THE FINANCIAL POST, TORONTO

CHARTERED ACCOUNTANT AVAILABLE

Age 35; University graduate; C.A. for 9 years; now employed in executive position; desires change of employment with better opportunity for advancement.

BOX 195, THE FINANCIAL POST, TORONTO

UNUSUAL OPPORTUNITY

for experienced salesman in Foods representing coast to coast organization with several branches—quick advancement for man with ability. Good salary plus commission. State age, enclose references.

APPLY BOX 185, THE FINANCIAL POST, TORONTO.

GOLFING EQUIPMENT . . . clubs, bags, sports jackets, gloves, balls, head covers, tees . . . there's the finest selection in years awaiting the professional or amateur golfer in Simpson's Sporting Goods Department, Street Floor.

Simpson's

Angry Opposition to New Labor Bill May Create Unity in B.C. Union Ranks

For years the British Columbia Federation of Labor has consistently refused to go along with its parent body, the Canadian Congress of Labor, in endorsing the CCF. But what all the calls for unity and co-operation between labor's various factions couldn't do, the new B. C. labor code might do.

This new Act, which calls for Government-supervised strike votes, has so aroused the Federation, that at its conference next month, it might go over into the arms of the CCF.

A resolution calling for support of the CCF as the political arm of labor is on the order paper for discussion. And it has a better chance of getting by than anything like it has had before.

Previously all attempts toward political unity have foundered on the rock of factionalism between the CCF and communist LPP elements. If anything can bring about a united front, it will be something like this common threat.

The campaign for unity is being led by tough, eloquent Danny O'Brien, regional director for the CCL. As Irish in appearance as his name, O'Brien is a sort of liaison officer between the CCF and LPP factions which are about evenly divided.

He bases his argument for support of the CCF on these facts: the CCF opposition opposed the get-tough-with-labor bill all down the line in the legislature; on the economic front, all labor opposed it. By his reasoning, all labor, including the AFL, should get behind the CCF to defeat the Government.

O'Brien admits this is easier said than done. The CCF, although the official opposition, appears to have lost ground. In the last municipal elections, the Socialists made a poor showing. Then there is the traditional "no-politics" concept of the AFL to contend with in addition to the dissension within the ranks of the CCL unions themselves.

This internal disunity on things political is the real hitch, however. Says O'Brien: "They (the LPP) hate to support the CCF on any issue, unless they can have 'total unity.' That's just nonsense. It wouldn't do either party any good to unite. But labor as a whole can unite and the Government has given us this one big chance to do so."

• • •

CIL Employees Vote For 40-hour Week

When faced with the alternative of 60 being laid off or shorter hours all round, employees of Canadian Industries Nylon plant at Kingston, Ont., voted in favor of shorter hours. It meant a pay cut of from $8 to $21 a month but the workers, who are members of the Chemical Division of United Mine Workers (CCL), decided to share the reduction evenly rather than loading it all on to the shoulders of low seniority workers.

The voting, conducted by the union, was about 3-1 in favor of cutting hours from 48 to 42 for production workers and 40 for others, on the basis of a five-day week. The union was certified last January. Negotiations toward an agreement are proceeding.

• • •

Excellent Labor Relations At Monarch Knitting Co.

A unique management-labor celebration at Dunnville, Ont., last week focused attention on excellent management-labor relations of the Monarch Knitting Co. The occasion was a banquet sponsored jointly by the company and the Textile Workers Union of America (CCL-CIO) to mark the signing of collective bargaining agreements at the company's plants at Dunnville, St. Catharines and St. Thomas.

The significance of the event was emphasized by those who were present representing labor and management and what they said. Labor's spokesman, for example, was the top man in the Canadian Congress of Labor, President A. R. Mosher, while the chairman was another high CCL official, Executive Secretary Norman Dowd.

Mosher sounded the keynote when he said, ". . . we must have a growth of the kind of management-union co-operation shown here tonight." He lauded the Monarch Knit management for its "sane attitude" in labor relations and urged employers as a whole to "follow the example and take organized workers into their confidence. If they would, we would not be faced periodically with the kind of strife that has been going on during the past year."

For the company, R. L. Markon, executive assistant, said the firm's policy was twofold: to achieve better working conditions through co-operation with the union and increase plant efficiency; to seek some co-ordination of policies of employers in the primary textile industry with a view to bargaining on an industry-wide basis.

He referred to the British system where representatives of all employers and all labor agreed at one sitting on conditions affecting an entire industry. In this way it was possible to arrive at a uniform policy regarding labor relations. He felt that if such a system were adopted in Canada, both labor and management would benefit. As a start toward this goal he advocated a meeting of textile operators to exchange ideas on the subject.

To further improve relations within its own plants, the Monarch management has inaugurated joint foremen - steward classes. This has been tried in the United States but is new to the Canadian textile industry. By bringing together the foremen as management's representatives and stewards as labor's key shop men, greater harmony could be achieved, Markon said. The company also intends to set up labor-management production committees in all its plants.

• • •

New Wage Minimums Authorized in Alberta

Alberta, by order-in-council, has established new minimum wage rates, about 20% higher than the old schedules. For men, the new minimum will be $25 a week; for women $18 with time and a half for overtime.

The rates for men are on a sliding scale, beginning with: under 17, $13.50 weekly (or 30c. an hour); under 18, $16 (35c. an hour); under 19, $18.50 (40c. an hour); under 20, $20 (45c. an hour); under 21, $22.50 (50c. an hour); over 21, $25 (55c. an hour).

For women: $12 for the first month (inexperienced), $14.40 a week for the second month and $16.80 for the third. After three months the minimum is $18 a week. Part-time help rate: 42c. an hour and not less than $1.68 a day. The total number of inexperienced employees must not exceed 25% of the experienced help.

The order makes it clear that the schedule must be regarded only as a minimum wage basis and not as a fair wage policy.

• • •

$8 Million Wage Raise Offered B. C. Loggers

Wage increases of 10 to 25c. an hour, aggregating $8 millions annually, have been offered 35,000 lumber workers in British Columbia. The offer, made by R. V. Stuart on behalf of 200 operators, would give skilled fallers and buckers between $15 and $22 a day and section hands, $7.60. Contract rates would be 10% higher while rates for sawmills range from 92c. to $2 an hour.

The union, the communist-dominant International Woodworkers of America (CIO-CCL), is asking a flat increase of 20c. an hour and the 40-hour week. Last year, after a crippling strike, the union won a 15c. an hour raise and gave the lead to labor's subsequent campaign which resulted in the 1946 wave of strikes.

The union also wants a health and welfare fund to be financed by the employers, but this proposal has been rejected. Negotiations are under way but their success is being jeopardized by inflammatory remarks like those of Alex MacAuslane, 1st vice-president of the Canadian Congress of Labor, who recently declared: "British Columbia is likely to head the wage drive again soon."

• • •

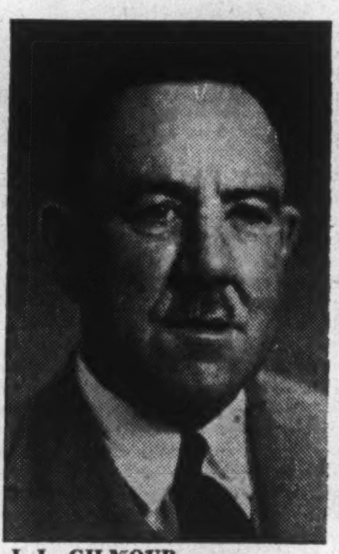
Sask. Acts Ultra Vires Respecting Railways

Five Saskatchewan acts regarding wages and hours of work have been ruled ultra vires in so far as their application to railways is concerned. Mr. Justice H. V. Bigelow ruled further that railway hotels are an integral part of the railway system, and therefore are not affected by the legislation. The province will appeal.

The five are the Trade Union, Workmen's Wages, Minimum Wage, Annual Holidays, and Hours of Work Acts. In view of the decision, Trans Canada Air-line and Can. Pacific Airline officials here claim they are in the same category as railways, thus the legislation is not applicable to them. T.C.A. is a crown corporation and a subsidiary of the C.N.R. C.P.A. is a subsidiary of the C.P.R.

In his judgment, Judge Bigelow said it was his view the acts in question interfered with the management of the railways, adding that the province is excluded from legislating with respect to railways under section 92(10) of the B.N.A. Act. He could not, for example, see how a railway could operate train crews if it is obligatory to change them at the end of eight hours.

The issue arose last summer when the province served summonses on the railway companies for failure to comply with a provincial order to post hours of work notices on railway premises.



J. L. GILMOUR

has been appointed Chairman of the Board of Johnson & Johnson Ltd. of which he was formerly president.

Ink Output Higher Less For Writing More For Printing

When the boys came marching home, Canada's output of writing ink began to ebb. Production of printing ink rose further.

Value of writing ink produced in 1945 was down $31,355 to $416,924, while the value of printing ink had risen $416,162 to $3,998,471, according to DBS statistics.

Writing inks were made at 11 Canadian establishments — six in Ontario, three in Quebec, one in Manitoba and one in British Columbia. They employed 137 persons and made goods valued at $720,031, including mucilage, paste, and miscellaneous articles, as well as writing ink.

Printing inks were made in 16 plants—12 in Ontario, three in Quebec, and one in British Columbia. Production, including some printers' rollers and other products, was valued at $4,255,345. Wages and salaries for 487 employees amounted to $1,134,123.

Four other plants—two in Quebec, one in Manitoba, and one in New Brunswick—made printers' rollers, but no ink. Only 17 workers were employed in these plants and their total output, valued at $61,792, included rollers at $57,640.

For the entire group there were 31 establishments employing 641 workers, whose pay was $1,341,553. Total 1945 output was $5,037,168.

Imported during the year were $39,342 worth of writing inks, $266,407 worth of printing ink, and $5,298 worth of rotogravure ink.

Kaiser-Fraser Corp Said Now in Black

Kaiser Fraser Corp. has definitely "turned the corner," President Joseph W. Fraser told stockholders at the annual meeting last week. It is now making money for the first time since its organization a year and a half ago, he said.

Mr. Fraser said the company went into the black in May when it shipped 6,577 cars in the first 19 days of the month. Production schedules calling for 11,000 cars in May would be met and possibly exceeded, he said.

Stockholders approved an increase in authorized capital stock from five million to eight million shares of $1 par value and also authorized one million shares of no par value preferred stock. The company has no plans for the sale or issuance of this stock at present.

CENTRAL MANITOBA MINES has optioned a group of claims and staked 45 adjoining claims at Ospwagan Lake, 20 miles north of Thicket Portage, Mile 184 on Hudson Bay Railway, Ont. A recent magnetometer survey has indicated several magnetic anomalies which are to be drilled shortly.

PETICLERC MINES has discontinued work after securing rather negative results in diamond drilling and surface work.

It's Your Money

By W. BRUCE MacKINNON

The latest Dominion Government offer to the provinces, subject to some adjustments for population, would amount to $226.9 millions if all provinces were to accept.

This sum is to be used to "rent" from the provinces the taxes on personal and corporation incomes and succession duties. It will also take care of statutory subsidies of $14.4 millions, so that the net "rental" payment proposed $212.5 millions.

Here is what the provinces actually collected on those taxes in the past:

	$ Millions
1933	37.2
1937	78.4
1939	72.3
1941	88.6

The rent that Ottawa is offering for these revenue sources is nearly six times what it was worth in the depression year of 1933, nearly three times what it was worth in the normal year of 1939, more than twice what it was worth in the boom year of 1941.

How can the burden on the taxpayer be reduced by shifting these tax fields to Ottawa if it is going to cost two to six times as much as the provincial governments took in these taxes?

Coast House Market Slips

VANCOUVER — Houses here generally are selling for less and more slowly than at peak of market last summer, real estate agents say. But, they add, the local housing boom hasn't turned into a bust. Price and volume are "fairly firm," with little decline in small and relatively new homes, though decreases have run 20% for larger, older ones.

It's still tough for the average man to buy a habitable place to live. There aren't many on the market at $5,500 to $6,000 and these usually require a $2,500 to $3,000 down payment.

Paradox in the price decline for "used" houses is that building costs are up 15 to 25% since last summer. Many would-be buyers of new houses appear to have adopted a wait-and-see policy, in expectation of a price drop in construction.

Quebec Power Profits Down in First Quarter

MONTREAL (Staff)—Quebec Power Co. net profits for first 1947 quarter are $146,499, down about 2% from a year before. This profit represents 26 cents per share earnings on the common stock.

Gross revenue was up $113,069 at $1,321,177; total expenses up $162,651 at $878,006. Fixed charges were substantially lower at $104,359. Provision for depreciation was the same as a year ago and income and excess profits tax provision was $79,813 ($95,115).

Gen. Time Instruments To Open British Plant

General Time Instruments Corp's subsidiary, Westclox Ltd., about Jan. 1 will begin production of a low-price clock in a leased plant in Vale of Leven, 14 miles from Glasgow, Scotland. Operation at first will be principally assembly of parts from the Westclox plant at LaSalle, Ill., and Western Clock Co., Peterborough, Ont. British-made parts will be used as soon as practicable and other models will be added to the line General Time's announcement says. The factory is being built by one of the U. K. Government's Trading Estates for lease to Westclox.

Canada's Most Versatile Tanners

FINE sheep and goat leathers . . fancy and embossed leathers, Shearlings, dyed lamb and Mouton Fur.

DONNELL and MUDGE Limited
NEW TORONTO
DISTRIBUTOR - FRED'K WHITLEY & CO. MONTREAL

TABLE TOPS RAINWEAR APRONS LUGGAGE

Beautiful shower curtains of Plastahide—eye-appealing, sales-making. Plastahide's modern qualities of beauty, strength, permanence—its ability to take rough use—its imperviousness to dirt, water, temperature—have kindled the imagination of manufacturers in many fields.

There's new sales appeal in products designed of Plastahide. Available in many weights, many colors, many finishes. Our laboratory will help you work out the type best suited to your product.

GENUINE Plastahide MADE IN CANADA

BARRINGHAM RUBBER & PLASTICS LIMITED
OAKVILLE, ONTARIO, CANADA

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Built on established principles to ensure correct posture they assure, with their convenient adjustments to suit each individual, the maximum of comfort and convenience.

Good posture minimizes fatigue, lifts morale, improves efficiency . . . important factors in maintaining your office on a sound and economic footing.

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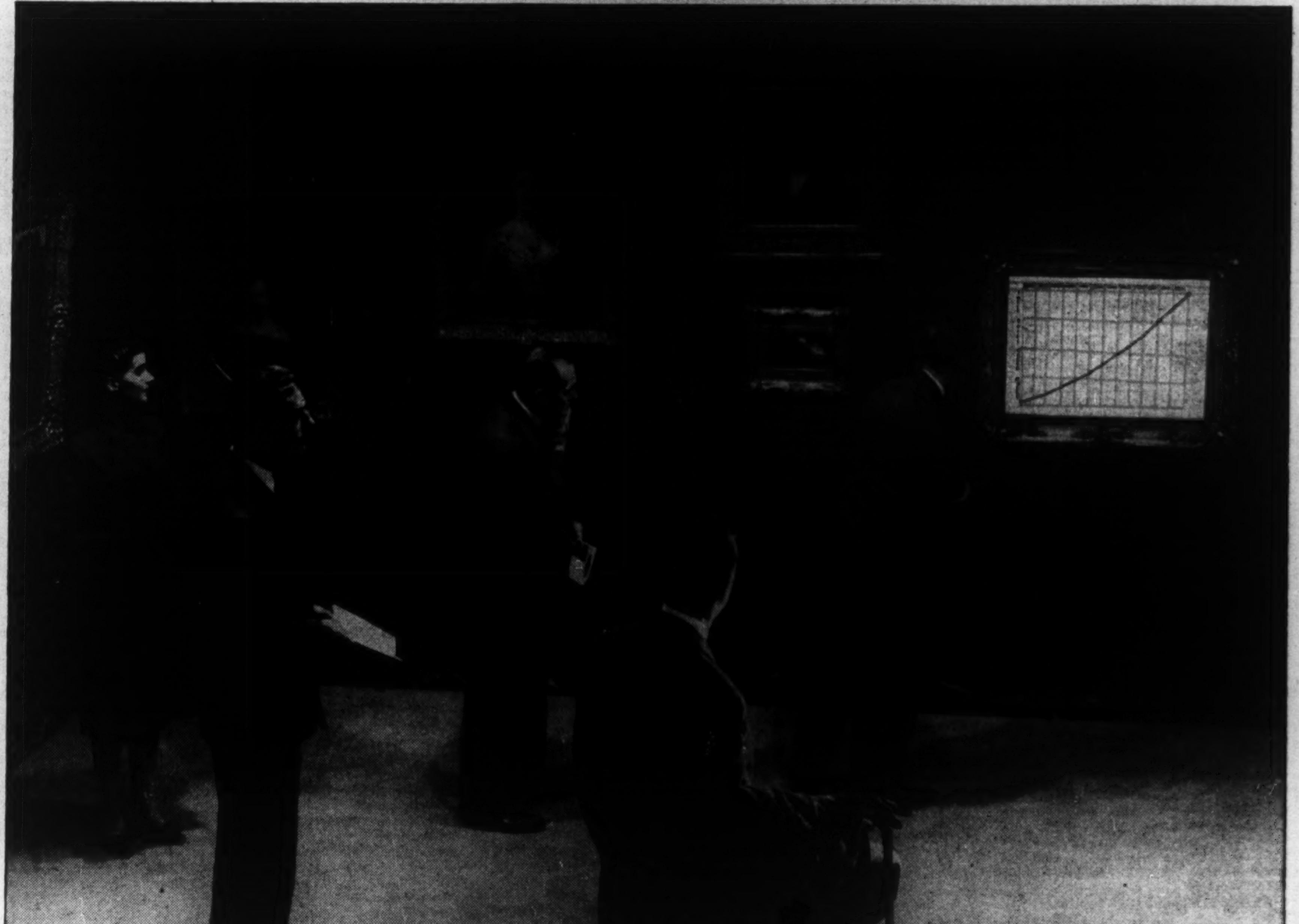

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Canadian Pacific Railway reported an increase of $876,000 to $5,977,000 in earnings during the week ended May 14, compared with corresponding 1946 period.

INVESTMENTS THIS WEEK

Investors' Uncertainty Remains a Market Factor

Investors generally were encouraged last week by the refusal of the New York stock market to penetrate its low level of October, 1946. But the subsequent rebound and this week's dullness faced investors with this question: Has the market seen its low and embarked on a long-range viewpoint of expanded industrial and business operations later this year, or is this only an interlude, with a new low point yet to be reached some time before 1948?

There is a wide variation in the interpretation of the market's action, with most individuals unwilling to express positive opinions—an indication of the uncertainty still existing.

Most surprising factor-even to the bears—was the market's stubbornness, reflected in the failure of the Dow-Jones industrial average to break through its 163.12 low of last autumn, despite its penetration in the course of one day.

Short covering in the New York market was one reason given for the late support that day. Publication of the short interest at May 15 on the N.Y.S.E. last week revealed an increase of 296,000 shares to an aggregate of 1,314,000 shares, the largest since Jan. 1, 1946. This mounting short interest was interpreted as reflecting an improving technical position. Although no records are maintained, this same factor is not present in the Canadian market, as the short interest is relatively small and mainly in mining stocks, it is claimed.

Despite this showing, many still believe that the stock market correction is not yet completed. They point out:

(1) Anticipation of a substantial reduction in volume of industrial production and trade yet this year, particularly as many goods come into better supply.

(2) A belief on the part of investors that earnings are trending lower, based on such an expected decline, higher wage costs and an anticipated drop in the level of commodity prices.

(3) Increasing realization of the seriousness of the dollar crisis abroad and its possible effect on Canadian and U. S. export trade.

Others feel that the market has largely discounted what lies ahead in business, and that the current testing of the 163.12 level indicates a base from which the market may advance. They point out:

(1) No business recession has been so widely advertised in advance. Consequently, there has been ample time for investors and businessmen to discount it, which the market has been doing for almost a year now.

(2) The decline to date has already discounted a sharp drop in profits and has placed many stocks on a higher yield and lower times-earnings ratio, so that they should no longer be too vulnerable to poorer earnings statements.

(3) The large unsatisfied, apparent demand for capital goods.

(4) The belief that a long period of prosperity, comparable to the 1922-1929 period, might follow any initial postwar business recession. Investor buying based on long-range optimism may be felt before the actual upturn in business occurs.

(5) The response to good news has been a shade better, while adverse news is not having the same marked effect.

(6) An increase in the price of stocks comparable to the increase in commodity prices would put the Dow-Jones industrial average over the 200 level.

(7) The large amount of money available for investment. Brokers report many clients with large cash balances waiting for an indication of a bullish trend.

On one point most market experts are agreed. A really good market is unlikely now until after the summer.

* * *

Junior Investment Dealers Association Is Planned

Announcement of the formation of a new association of the younger fraternity in the Canadian investment business is expected within a week or so, The Financial Post understands.

The first of such organizations comes into being in New York this week, with formation of the Junior Investment Bankers & Brokers Association by 25 charter members, mostly veterans of World War II, representing 19 firms.

Heading the New York association is William A. Lofft, who joined Smith Barney & Co. last June and is now completing the last stages of the firm's 18 months' training program. Mr. Lofft, a son of H. W. Lofft, a partner of Wood, Gundy & Co. and well known in financial circles, is the father of the idea of the junior groups.

Chief aim of the new group is educational. Lectures at regular luncheon meetings are planned. The N. Y. Association will approach the joint educational board set up by the Investment Bankers Association, the National Association of Security Dealers, the New York Stock Exchange and Curb Exchange, and the Association of Members firms of the N.Y.S.E.

The movement has the enthusiastic backing of the older members of the investment fraternity, who hope that the Junior Association will provide a nucleus of competent new blood for the financial district. In addition to the Toronto and New York groups, similar groups are being organized in Philadelphia, Chicago and Boston.

* * *

Annual Reports

With the current uncertainty regarding the future world price trend of so many basic commodities, company executives should make a special point of informing shareholders of the basis of valuation of inventories, the replacement value, the size and adequacy of the inventory reserve (if any), the relation of the inventory to the year's needs and any other relevant information available. Too many reports contain the meagre "valued at lower of cost or market less reserve" tag on inventories, and do not even state the amount of the reserve.

* * *

Canadian General Securities Ltd. annual report contains no comments from the officers or directors, does not give the names of the subsidiary companies in which its investment has a book value of $250,928 and a market value of $1,283,433 (taking $183,000 net assets as value for unlisted shares), and does not give a list of securities represented by marketable or other investments.

* * *

Investment Bond & Share Corp. annual report does not give a list of securities held, although it shows a percentage breakdown between types of security. Investors would welcome a list of securities.

* * *

Beaver Lumber Co. annual report, in noting that inventories are up $498,000, states "it is still difficult to buy to our specifications, the result of which is that our stocks of merchandise do not represent a proper balance between the common and upper grades." Some amplification of this statement would be welcomed by investors.

* * *

Financial Men Head Naval Association

Toronto's financial men are well represented in the local branch of the Naval Officers' Association of Canada. Its newly elected president is F. R. Brebner of W. C. Harris & Co. Vice-presidents are Norman Alexander of James Richardson & Sons and L. D. Stupart of Confederation Life Association. Secretary-treasurer is W. T. Lord of Irish & Maulson, while W. Tennent of Excelsior Life Insurance Co. is treasurer. The Toronto branch has some 965 members and conducts an active counselling service for ex-naval personnel.

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Deposit Shares Is Advice Given MLHP Holdouts

MONTREAL (Staff) — Shareholders of Montreal Light, Heat & Power Consolidated who are still holding shares hoping for a better price than the $25 offered by Quebec Hydro had better deposit their shares. This advice is given in a letter by J. S. Norris, former president of the company. He states the only remedy from Bill 79 was by way of petition to the Dominion Government for disallowance of the legislation, and adds that according to advice received by the former directors, there are no reasonable prospects of such disallowance. Any individual shareholder is entitled, however, to submit a petition for a disallowance, the letter adds.

It points out that Bill 79 bypassed the courts which could have considered the MLH & P question and points of law involved; and it states that the position of shareholders of Montreal Island Power Co. and Beauharnois Light, Heat & Power Co. is being considered in the light of the experience gained in MLH & P expropriation proceedings.

Labatt Output Increase Seen

Installation of the new fourth bottling unit of John Labatt Ltd., London, Ont., is completed and it started operating last week, Vice-President Hugh F. Labatt tells The Financial Post. This will increase the company's bottling capacity by a full 25% and ends an 18-month concerted effort to increase production of this department.

Some $400,000 has been spent on capital account for improvements and expansion in the first six months (ending Mar. 31, 1947) of the current fiscal year, Mr. Labatt states. This includes expenditures both on the London plant and on the new plant in Toronto (formerly Copland Breweries). Plans call for further substantial increase in output of this Toronto plant.

Output and profit of John Labatt Ltd. in the first six months of the current fiscal year show an increase over the results for the similar period last year, Mr. Labatt states. For the fiscal year ended Sept. 30, 1946, the company had a net profit, after depreciation and taxes, of $1,522,863, excluding $30,000 refundable portion of excess profits taxes. This was equivalent to $1.69 excluding, or $1.73 including, refundable EPT a common share.

ANDIAN NATIONAL CORP. net profits dropped 56.4% to $994,503 in 1946, as a result of reduced volume of petroleum and products offered for transportation through pipeline system and sharply increased operating and maintenance costs in Colombia. Materials and supplies for the pipeline system are purchased mainly in the United States and their prices increased substantially during the year, President L. P. Maier states.

Petroleum and products totalling 36,606 bbls. a day were transported by the pipeline system in 1946, which was 89% of capacity for petroleum products of the viscosities actually handled during the year. Studies are being made with a view to increasing pipeline capacity in the event of new fields being developed.

In view of reduced income and practice in the past of drawing heavily on surplus for payment of dividends, the company has reduced May 26, 1947, payment to 25 cents a share. Formerly a rate of 50 cents prevailed.

Current assets of $9,235,974, included cash, $848,566; bonds, $325,232; deposit, $4.5 millions; advances, $1.7 millions; accounts and notes receivable, $681,782 and inventories, $1,180,394. Liabilities totalled $720,652, leaving working capital $8,515,322. Fixed assets were carried at net value of $3,868,439, deferred and prepaid charges at $15,241 and deferred accounts receivable at $181,490.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Total net income	$1,690,340	$2,390,971
Less: Deprec. & amort.	156,531	106,915
Taxes	539,306	814,029
Add: Prof. on inv. sale	......	813,319
Net profit	994,503	2,283,346
Less: Dividends	2,550,000	2,550,000
Deficit for year	1,555,497	266,654
Earnings per Share and Dividend Record:		
Earned	$0.39	$0.90
Paid	1.00	1.00
Working capital	8,515,322	10,353,581

TIP TOP TAILORS net profits increased 30.5% to $317,762 in year ended Dec. 28, 1946. Earnings included a nonrecurring profit of $45,667 on sale of investments. In view of continuing demand, production capacity is being increased and inventories of materials and supplies were somewhat higher at year end.

During the year improvements to plant, equipment and store locations were carried out and six new properties were acquired.

CONS. INCOME ACCOUNT

Years Ended:	Dec. 28 1946	Dec. 29 1945
Net oper. earns.	$540,169	$696,087
Less: Deprec.	63,304	67,214
Bond int.	34,927	35,394
Inc. tax res.	169,843	350,000
Add: Invest. sale	45,667	......
Net profit	317,762	243,479
Less: Com. divds.	36,000	36,000
Surplus for year	281,759	207,479
Times Bond Interest Earned:		
Before deprec.	15.47	19.67
After depr.	13.65	17.77
Earnings per Share and Dividend Record:		
Common: Earned	$2.65	$2.03
Paid	0.30	0.30

CONDENSED CONS. BALANCE SHEET

As at:	Dec. 28 1946	Dec. 29 1945
Cash & Dom. bds.	$297,680	$978,847
Accts. rec.	501,396	567,608
Life ins., c.s.v.	133,061	116,830
Inventories	2,097,242	1,577,510
Total curr. assets	3,029,379	3,240,795
Misc. assets▲	287,205	289,437
Fixed assets*	1,475,714	1,174,313
Total assets	4,792,298	4,704,545
Bank advances	53,931	16,895
Accts., tax., etc., pay.	882,082	1,043,124
Total curr. liab.	936,013	1,060,019
Funded debt	860,000	930,000
Invent. & cont. res.	270,000	270,000
Capital stock	600,000	600,000
Earned surplus▲	2,126,285	■1,844,526
*After depr. of	1,650,040	1,653,046
▲Incl. ref. EPT	219,000	219,000

■After transfers of $350,300 from capital surplus, $150,000 from inventory res., and $185,000 income tax cr. adj. in 1945.

Working capital	2,093,366	2,180,776

Can. Breweries Earnings Rise

Consolidated net profit of Canadian Breweries Ltd., for the three months ended Apr. 30, 1947, amounted to $1,340,569 ($1,029,530 in the corresponding period a year before). This is equal to 67c. a common share (51½c.). Earnings from operations are up from $2,594,674 to $3,037,627.

Consolidated net profit for the six months ended Apr. 30, 1947, amounts to $2,709,751 ($2,054,463). This is equal to $1.35 a common share ($1.03).

The dividend policy of Canadian Breweries Ltd. is set forth in a statement by E. P. Taylor, chairman of the board, in the quarterly statement:

"Your directors have for several years followed a policy of distributing approximately 60% of the company's net profits to shareholders by way of dividends. In compliance with this policy, company stock was recently placed on an annual dividend basis of $2 a share per annum. This dividend is currently being earned by your Canadian subsidiaries alone by a good margin. Your directors believe that this state of affairs will continue, due to the insistent domestic and export demand for the products which your company manufactures, and because further important additions to capacity in Canada progressively come into operation during the next 12 months.

"Your Board is not relying on any revenue from Brewing Corp. of America for some time to come, to contribute to dividends being paid by the parent company. Dividends which are received from it are being used to reduce the note indebtedness of your wholly-owned subsidiary, Canadian Breweries Inc., which stood at $992,301 as of Apr. 30, 1947. Surplus earnings of Brewing Corp. of America over and above dividend requirements are being left in that company to help finance its expansion program. It is the opinion of your directors that shareholders of Canadian Breweries Ltd. will eventually profit by adherence to this policy."

Net working capital of $11,625,958 at Apr. 30, 1947, is up substantially from $9,112,490 at Jan. 31, 1947, but down from a year before when it amounted to $13,176,118. Value of fixed assets increased almost $8 millions in the year to amount to $22,663,423. Funded debt, reflecting financing undertaken during the past year is higher at $15,429,301 ($10,900,090).

Earnings of the company show as follows:

EARNINGS STATEMENT
(Periods Ended April 30)

	■1947 3 Mos.	■1947 6 Mos.	■1946 6 Mos.
Op. profit	$3,037,627	$6,424,103	$5,340,836
Add: Other inc.	251,468	332,685	416,314
Total inc.	3,289,095	6,756,788	5,757,150
Less: Depr.	325,447	1,038,284	457,169
Interest	158,013	274,369	271,545
Loss on sale invest.	15,660	35,660	....
Prov. in. tax	1,196,500	2,451,300	*2,635,900
Minority int.	134,866	267,374	338,033
Net prof. in.	1,340,569	2,709,751	2,054,463
Ref. EPT	....	....	164,000
Retained net prof.	1,340,569	2,709,751	1,890,463

■Income of Brewing Corp. of America incl. *Includes refundable portion of excess profits tax of $164,000.

Earns. per Share and Divd. Record:

Common:			
Earned	$0.67	$1.35	$1.03†
Paid	0.25	0.50	0.50

†Including $0.09 a share refundable portion of excess profits tax.

St. Law. Lithograph Sells Bond Issue

A new issue of $225,000 first mortgage bonds of the St. Lawrence Lithographing Ltd., Montreal, Que., is being offered by Desjardins, Couture Inc.

The issue consists of $57,500 3½% bonds due Feb. 1, 1948-52 ($11,500 a year); $112,500 4% bonds due Feb. 1, 1953-57 ($11,500 a year) and 1958-62 ($11,000 a year) and $55,000 4½% bonds due Feb. 1, 1963-67 ($11,000 a year). The 1948 to 1962 maturities are offered at par and the 1963 to 1967 maturities at $101.

The St. Lawrence Lithographing Ltd. was founded in 1924 and conducts a lithographing, printing, bookbinding, etc., business.

Proceeds of the issue are to pay off outstanding debts, for construction of additions to the building and for additional capital for expansion.

Capitalization will consist of the $225,000 bonds, $87,200 authorized, $55,100 issued, 6% preferred shares, par $100, and $12,800 authorized and issued, $100 par common shares.

Net profit, after depreciation and taxes, amounted to $18,483 for the fiscal year ending Jan. 31, 1947.

Directors are:

Henri Lebeau, president, Outremont, Que.; Paul A. Lebeau, vice-president and managing director, Jean Lebeau, secretary-treasurer and joint managing director, Montreal, Que.; Louis-Philippe Lebeau, Mount Royal, Que.; George A. Lebeau and Gerard Boudrias, Outremont, Que.

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TRANSFER AGENT AND REGISTRAR:
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CAPITALIZATION
(Upon completion of present financing)

	Authorized	To be Outstanding
Capital Shares (No Par Value)	1,000,000 shs.	350,003 shs.

Warrants are outstanding entitling the holders to subscribe for 100,000 Capital Shares up to and including August 31st, 1951 but not before September 1st, 1947, at $5.75 per share.

We offer, as principals, these Capital Shares if, as and when issued and acquired by us and subject to the approval of all legal details on behalf of the Company by Messrs. Brickley, Sears & Cole, Boston, and on our behalf by Messrs. Stairs, Dixon, Claxton, Senecal & Turnbull, Montreal, both of which firms will rely on the opinion of Mr. J. J. Fraser Winslow, Fredericton, N.B., with respect to matters of the corporate law of the Province of New Brunswick and title to the properties to be acquired by the Company.

In the opinion of the management of the Company the shares offered by this Prospectus are speculative and should not be considered as an investment.

Price: $5.75 per Share

Interim Share Certificates are expected to be available for delivery on or about May 28th, 1947.

A Copy of the Prospectus describing these Shares will be supplied on request.

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F. J. Brennan & Company Limited — Canadian Alliance Corporation Limited — J. C. Rogers & Company Limited
Lightcap Securities Limited — Hall Securities Limited

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Report Rapid Sale of Stock Burrard Dock

Public participation in another British Columbia company, Burrard Dry Dock Co., North Vancouver, was invited last week with the offering of 250,000 no par value 45c. cumulative participating noncallable Class "A" shares by a syndicate headed by Wood, Gundy & Co. The shares, offered at $9 a share to yield 5% were rapidly over subscribed, it is stated.

Burrard Dry Dock Co. and its wholly owned subsidiaries Yarrows Ltd. and Burrard (Vancouver) Dry Dock Co. is the largest and one of the most modern shipbuilding and ship repairing organizations in Canada, currently employing over 2,200.

Its founder, the late Alfred Wallace began building lifeboats on contract for the Canadian Pacific Steamships Ltd. in 1894.

Present head of the firm is Clarence Wallace, the son of the founder, while another son, Hubert A. Wallace is a vice-pres. and in charge of the two shipbuilding and ship repairing plants of Yarrows Ltd. in Victoria, which were purchased early in 1946. The brothers are in a position to elect the majority of the directors by virtue of the beneficial ownership of the majority of the Class "B" shares.

Gets Federal Subsidy

The Burrard Dry Dock Co.'s plant is located on the north shore of Burrard Inlet at Vancouver, and is completely equipped for the construction and repair of practically all types and sizes of ships and the production of marine engines. The company has a floating dry dock for large vessels with a lifting capacity of 16,000 tons and length of 556½ feet and a 2,000-ton marine railway which services the smaller craft and will take ships up to 250 feet in length.

The company is in receipt of a subsidy from the Dominion of $110,118 annually for the years 1948 to 1957 and decreasing amounts to 1960. This subsidy was originated to enable the building of the floating dry dock and appurtenant works.

Early in 1946 the company purchased all the issued share capital of Yarrows Ltd. for an amount estimated at about $1,289,282. (The actual amount has not yet been finally determined).

Big Contracts Held

In the Yarrow's shipyard at Victoria a 350-ft. passenger ship is now under construction for the Canadian National Steamships Ltd. The ship, which will cost some $3 millions, is planned for the Alaskan tourist trade and will accommodate over 320 passengers.

In addition the organization has a contract from the French Government to build five 7,500-ton colliers, five 4,850-ton colliers and four lighthouse tenders for the French merchant marine which are now under construction. Servicing and repair work is from time to time handled for Canadian Pacific Steamships coastwise passenger ships, for Imperial Oil coastwise and deep-sea tankers, for Union Steamships ships and many others, it is stated.

The company proposes to retire out of available funds the outstanding $1,117,528 first mortgage 3% and 3½% serial bonds due Oct. 9, 1947 to April 9, 1960 on Oct. 9, 1947.

On completion of its financing, capitalization will consist of 250,000 authorized and outstanding shares of cumulative participating noncallable Class "A" stock and 750,000 authorized and issued shares of no par value Class "B" stock. The Class "A" shares offered were purchased from Clarence Wallace and H. A. Wallace so that proceeds do not go to the company.

Earning Outlook Good

Earnings, after depreciation and income taxes, for the 1946 fiscal year amounted to $205,376. Interim statements show that in the three months ended Mar. 31, 1947, after provision for depreciation and income and excess profits taxes, consolidated net earnings of the company and its subsidiaries amounted to about $95,000.

From current business on hand including the new passenger ship for the Canadian National Steamships and the 10 new colliers and four lighthouse tenders for the French Government as well as a good volume of repair work, the company regards the earnings outlook as satisfactory for the full year 1947, President C. Wallace states. Fixed dividend requirements on the new Class "A" shares will total $112,500 a year.

After giving effect to the financing, fixed assets less depreciation will total $2,588,675 ($10,803,502 less $8,214,827); net current assets will amount to $2,193,598, refundable excess profits tax to $734,571 and the Class "A" dividend maintenance fund to $562,500. This latter fund is the equivalent of five years fixed dividend requirements on the Class "A" shares and is set up in accordance with provisions of the new issue.

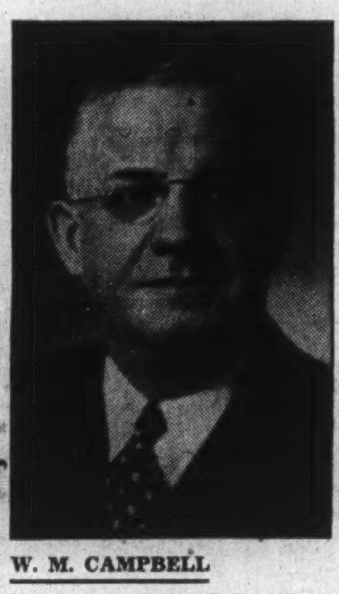
Directors are:

Clarence Wallace, president; Vancouver; Hubert Alfred Wallace, vice-president, Victoria; William Jefferson Wardle, general manager, North Vancouver; A. H. Williamson and Carl Halterman, Vancouver.

EAST KOOTENAY POWER CO. gross earnings for the month of April, 1947, are shown at $65,097, an increase of $565 over the same month in 1945. Operation expenses excluding taxes showed a greater increase, however, at $32,325, leaving net earnings at $32,772 or a decrease of $4,423.

CNR operating revenues for April, 1947, amounted to $36,019,000, an increase of $4.6 millions over the same month of 1946. Expenses were also up at $32,242,000 or $5,216,000 more than last year. Net revenue at $3,777,000 increased only $608,000. Net revenue for the four months ended April 30 was down $2.5 millions from last year.

TOWN OF VILLE LASALLE has sold a bond issue of $269,400. Bonds are twenty-year serials carrying interest at 2½% and were sold for 98.129 to L. G. Beaubien & Co., representing a net average cost of 2.6958%.



W. M. CAMPBELL

has been appointed President of Johnson & Johnson Ltd. of which he was formerly executive vice-president.

June Dividends $44.6 Millions

June dividends as declared to May 23, 1947, amount to $44,616,345. Total dividends for the same month last year (not comparable, since several companies only make declarations a few days before actual payment) amounted to $47,161,151.

Payments on 119 industrial stocks will amount to $19,062,511—down $653,533 from the 114 dividend payers last year. Payments by mining companies will again be down from same month last year — $11,689,197 from 21 companies as compared with $14,874,852 from 24 in June, 1946. Seven oil companies pay $11,114,820 as against $10,759,060 from five last year. Ten financial institutions have declared $1,749,817 as compared with $1,811,195 from 14 companies last May.

Dividends paid and declared for the first six months of 1947 are up 3.0% from the corresponding period of last year. Following is a list for June as compiled by The Financial Post:

Monthly Dividends

	1947 $	1946 $
January	32,874,733	27,085,896
February	10,806,365	9,464,065
March	41,743,192	36,330,443
April	21,376,155	29,061,948
May	10,985,597	9,564,457
June	44,616,345	47,161,151
Total	163,402,387	158,667,960

Industrials, Utilities

Company:	Rate $	Date	Amount $
Acme Glove, $1 pf.	.50s	1	16,250
Agnew Surpass	.50	2	50,368
Aluminium	2.00q	5	1,488,820
Do., 4% pfd.	.25q	1	150,000
Anglo Can. Tel., A	.15q	2	73,065
Argus	.10q	1	85,000
Do., 4½% pref.	1.12½q	1	45,000
Acadia-Atla. 5% pff.	1.25q	15	37,500
Assoc. T. & T. 1st pfd.	†1.02	9	45,920
Do., 7% pfd.	†1.19	9	95,792
Auto-Electric, A	.12½	14	3,750
Barber Ellis	.25q	16	11,000
Bathurst Pr. & P., A	.25q	2	100,000
Brazilian Tr., c.	1.00	2	7,029,894
Bruck S. Mills	.30	16	37,500
Butterfly Hosiery	.35s	15	37,723
Borden Co.	†.60	2	2,400
Can. Cement, pf.	.32½q	20	326,412
Can. Dom. Sugar	.20q	2	300,000
Can. Fdrs. & F., A	.37½q	16	14,079
Can. Machinery	.25s	28	25,000
Can. Crushed Stone	.10q	20	6,374
Canada Malting	.50q	16	99,486
Canada Vinegars	.15q	1	13,800
Can. Tire	.25q	2	25,000
Do., extra	.10	2	10,000
Can. Fairbanks	.25	2	20,000
Can. Ind. Alcohol, A, B	.50	2	455,960
Can. Silk, A	.37½q	30	39,500
Capital Wire, pf.	.37q	1	3,700
Chateau Gai	.30	3	28,500
Circle Bar Knit.	.15+.05q	1	5,125
Cockshutt Plow	.25s	2	75,169
Corr. Paper Box	.25q	1	11,750
Do., pref.	1.25q	1	11,168
Cons. Lithographic	.19q	30	11,400
Cons. Textile, pf.	.50s	2	10,000
Crow's Nest Coal	1.50s	2	99,189
Davis Leather, A	.37½q	1	37,500
Do., B	.17½q	1	27,352
Distill.-Seag., c.	.15q	16	1,315,402
Dominion Stores	.32½	14	99,780
Dom. Envelope, p.	.87½	1	3,614
Donahue Bros.	.25q	1	37,500
Eddy Paper, A	.25q	15	50,000
East. Steel Prod.	.15q	2	8,700
Electrolux	†.50	12	618,750
Ford Motor, A & B	.25	14	434,740
Famous Players	.20q+▲.05	21	107,632
Freiman, A. J.	▲.25	1	21,250
Gord. Mackay, A	.12½q	14	25,200
Do., B	.12½	14	25,200
Grafton, A	.25q	16	9,030
Gypsum, Lime	.20q	1	88,008
Gt. Lakes Paper, A	.62½q	30	62,500
Gt. West Sadd., 1st pf.	.75q	30	5,344
Do., 2nd pfd.	.75q	30	868
Ham. Cotton	.22½q	2	18,000
Imperial Tobacco, ord.	.10q	30	945,103
Imperial Varnish	.15q	2	8,042
Do., pref.	.37½q	2	4,029
Indust. Accept., 5% p.	1.25q	30	18,750
Do., 4¼% pf.	1.06¼q	30	15,938
Do., cl. A	.37½q	30	37,500
Inter. C. Baking	.75q	28	15,858
Intnl. Coal	.01½s	16	45,000
Inter. Utilities, new	†.22½	2	177,021
Inter. Paints, 5% pfd.	.50s	23	21,000
Langley's 7% pref.	.75	11	424,275
Lake of W. Mill	.40q	2	59,076
Do., pref.	1.75q	2	26,205
Laura Secord	.20q	2	57,500
Loblaw Groc. Inc.	†.20	2	69,698
Loblaw Groc., A, B	.25q	2	207,089
Do., extra	.12½	2	103,544
McCabe Grain, B	.20	1	14,972
MacKinnon Str., pf.	1.25q	16	4,453
Marcus Loew's	1.00q	30	7,500
Melchers, pfdf.	.30s	30	37,500
Molson's Brew.	.25q	26	187,500
Montreal Cottons	.12	14	39,601
Do., pref.	.44q	14	52,800
Nat. Drug	.12½	2	31,298
Do., pref.	.15q	2	36,728
New Meth. Ldry. pf.	1.62½q	2	4,062
N. S. Lt. & Pwr., pf.	1.50q	2	36,450
Ogilvie Flour, pf.	1.75q	2	35,000
Paramount Pic.	†.50q	27	187,606
Paton Mfg.	.20q	14	10,000
Do., pref.	.35q	14	10,500
Powell River	.35q+.50	14	142,990
Pressed Metals	.25	10	67,142
Rand S. S.	.10	30	5,988
Regent Knit., pfd.	.40q	2	6,400
Robinson, Little, A	.25q	1	6,250
Rolland Paper, pfd.	1.06¼q	16	18,062
Reliance Grain, pfd.	1.00q	14	15,000
Russell Ind.	.10q	30	13,941
Do., pref.	1.75q	30	13,265
Silknit, 5% pf.	.50q	14	5,000
H. Simon & Sons	.30q	2	90,014
Do., 5% pref.	1.25q	2	4,625
Sicks Brew.	.20	30	123,973
Simpsons 4½% pf.	1.12½q	16	12,600
Scythes, new c.	.19q	1	9,500
Do., 5% pref.	.31¼	1	5,000
Stand. Chemical	*.10q	2	60,000
Do., pf.	1.25q	2	23,298
Stowell Screw, A	.75s	1	56,250
Toronto Elevators, n. c.	.10q	2	20,924
Taylor, Pearson	.12½	2	25,000
United Steel	.17½q	17	82,149
Viceroy Mfg.	.09	15	9,000
Virginia Dare, 5% pf.	.31¼q	1	5,000
Walker-Good., H.	.30	16	868,804
Winnipeg Elec.,	.50	30	282,494
Do., pref.	2.50s	30	125,000
G. Weston, 4½% pf.f	1.12½q	2	40,950
Westeel	.50s	14	59,075
Woods Mfg.	.50q	30	55,254
Total			19,062,511

Mining Companies

Company:	Rate $	Date	Amount $
Aunor Gold	.05	2	100,000
Can. Malartic G.	.02s	25	73,027
Hallnor Mines	.07	2	140,000
Hudson Bay M. & S.	.75	9	2,068,479
Hollinger G. M.	.06q	30	295,200
Howey G. M.	.01	2	50,000
Island Mountain	.05	2	52,535
Kerr-Addison G. M.	.03	27	141,909
Inter. Nickel, c.	†.40	20	5,833,610
Lake Shore Mines	.18	14	360,000
Lamaque Gold	.02	2	60,000
Madsen Red Lake	.04	17	139,981
Macassa Mines	.02	16	53,562
McIntyre Porc.	.50¼	2	418,950
Noranda Mines	.50	16	1,119,886
Normetal M.	.10	14	375,301
Perron Gold	.01	30	20,000
Pickle Crow	.10	30	300,000
Placer Devel.	.25c	13	186,000
Teck Hughes	.05	2	240,357
Waite Amulet	.20	10	660,000
Total			11,689,197

Oil Companies

Company:	Rate $	Date	Amount $
Globe Oil	.01¼	2	244,508
Imperial Oil	.25s	2	6,741,369
Internat. Petroleum	.25	2	3,581,184
Do., pref.	.25	2	50,000
Pacific Pete.	.05s	2	65,000
Petrol Oil	.03	2	[illegible]
Royalite Oil	.50s	2	358,743
Stuart, D. A. Oil, p.	.20q	2	8,016
Total			11,114,820

Financial

Company:	Rate $	Date	Amount $
Bank of Montreal	.20q	2	720,000
Bank of Toronto	.30q	2	126,000
Bk. Can. Nationale	.17½q	2	122,500
B. A. Bank Note	.25q	16	22,500
Can. Int. Inv. Tr., p.	1.25	2	18,815
Confed. Life, 30% pd.	1.50q	15	15,000
Dom. Anglo Inv., pf.	1.25q	2	15,902
Dom. Scot. Invest., pf.	1.00	2	49,136
Royal Bank	.20q	2	656,250
Sec. C. Int. Inv., 4% p.	.10q	2	3,714
Total			1,749,817
Grand total			38,782,735

q—Quarterly. s—Semiannually. †N. Y. funds. *Initial. ▲Extra.

Managed Investment

Compton's Manager Puts Cash Into Victory Bonds

Compton's manager keeps his account fully invested by buying a $100 Dominion of Canada Eighth Victory Loan Bond with the extra cash.

Market value of Compton's account was $13,047.86 at May 15, 1947, as compared with $10,000 when he commenced operations in December, 1944. Annual income is at a new high of $546.30.

Compton's Manager Says:

Herewith is your statement for the month ended May 15.

On our advice you extended the term on your Dominion of Canada bonds by exchanging $800 Dominion 3% bonds due 1956-59 for $800 Dominion 3% bonds due 1959-62 with no loss of income.

In the month you received dividends amounting to $14.15. As this did not cover the monthly transfer to your account of $25 for living expenses, you took out of your account $10.85, leaving a net cash balance of $121.09.

Our policy always is to make every dollar in your account work for a living. Therefore, we purchased an additional $100 Dominion 3% bond due 1959-63 on May 15 at $104.875. This increased your expected annual income by $3 to a new high of $546.30.

As you now hold $4,100 of readily marketable Dominion Government bonds, you can take full advantage of any serious reaction in the stock market if such a thing impends in the near future. On the other hand if the market were to move upward decisively your common stock holdings which have a book value of $4,658 (and are worth $5,049 in the market) can be sold at a profit. Thus you are still on both sides of the market.

Following shows the broad change in the position of your account since Dec. 15, 1944, when it was taken over:

	May 15, 1947 Amount	%	Dec. 15, 1944 Amount	%
Bonds	4,291	32.9	...	...
Preferred	3,692	28.3	923	0.3
Common	5,049	37.8	6,488	64.9
Lands and Oils	...	...	1,925	19.2
Cash	16	0.1	664	6.6
Total	13,048	100.0	10,000	100.0

The Compton Account Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks		
10	Can. & Dom. Sugar	22	22
20	Consol. Litho.	17¼	18½
5	Consol. Smelters	85	80½
5	Consumers' Gas	140	155½
5	Goodyear	95½	98
15	John Labatt	20	24
35	Montreal Locomotive	18	17
35	Southam	13	18
60	York Knit. Mills	11¾	14½
15	Walkers	26⅝	22¼
	Preferred Stocks		
30	Can. Wire Box, A	23¾	24½
25	E. B. Eddy Co., $1	22	20
5	Int. Metal Ind., 4½%	100	103
25	Riverside Silk, A	32½	34½
*30	D. Stuart Oil	16¼	19¾
50	McCabe Grain, A	11	9¾
	Bonds		
$900	Can., 3% 1957/60	100½	104¾
1,800	Can., 3% 1959/62	100.98	104¾
1,400	Can., 3% 1952/63	100	104¾
	Cash		$15.86
	Curr. Market Value of Fund		$13,047.86
	Prospective Annual Income		$546.30
	Average Yield on Original $10,000		5.46%

*Bid price on May 1, 1947.

Cardy Corp. Gets Five Hotel Units

MONTREAL (Staff)—Vernon G. Cardy's new Cardy Corp. now owns five hotel units, it announced last week. Shareholders of the five hotel companies (Mount Royal, King Edward, Connaught, General Brock and Prince Edward) have approved the plan whereby the Cardy Corp. will buy out the companies (see The Financial Post, April 26).

A company official informs The Financial Post that it will be "a little while" before security holders in the individual companies will receive payment. It is recalled that shareholders in the Mount Royal are to receive $6 in 5% debentures, one class A share and $2.03 in cash. It is understood, however, that ultimate payment will consist of cash and the Class A shares. It is proposed that the debentures be held by the Cardy Corp., and sold to an underwriting firm. Proceeds from the sale of this issue will be paid to present security holders in each of the five hotels in the form of cash.

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BRANCHES OR AGENCIES IN ALL PRINCIPAL CITIES FROM COAST TO COAST

Vision

Successful investment requires vision— the prudence to back a sound idea and the foresight to imagine its growth potential.

Collier Norris & Quinlan
Limited

MONTREAL • TORONTO

CITY AND COUNTY OF SAINT JOHN, NEW BRUNSWICK

2½%, 2¾% AND 3% DEBENTURES

MATURING MAY 1, 1958 TO 1972

PRICE TO YIELD 2.40% TO 2.85%
ACCORDING TO MATURITY

BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920

MONTREAL TORONTO WINNIPEG

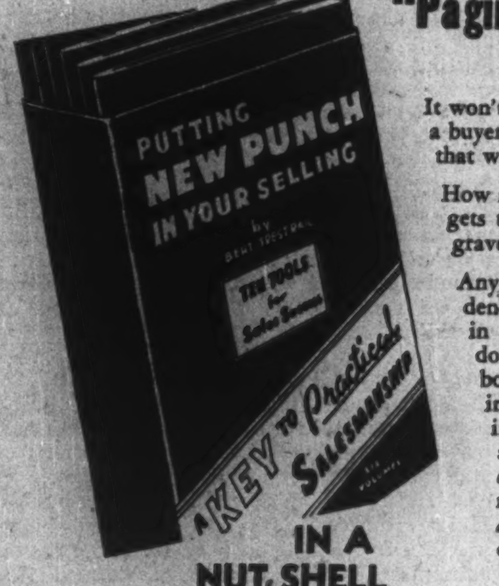
THOMSON & CO.
STOCK BROKERS

Partners: M. A. Thomson, A. J. Davis, H. H. Rath, H. E. Murray
Members: Toronto Stock Exchange, Montreal Stock Exchange, Montreal Curb Market

Private Wires to All Offices

TORONTO NORANDA MONTREAL

"Paging All Sales Executives"



IN A NUT SHELL

It won't be long now before salesmen run smack into a buyer's market with *completely changed conditions* that will test their ability for the first time in years.

How many will have it on the ball when the going gets tough is the "sixty-four dollar question" that gravely concerns every sales-executive right *now*.

Any "tool" or plan that will step up the confidence and sharpen the performance of salesmen in *actual sales interviews*—when the chips are down—is at least worth examining. This set of books provides that needed stimulus by presenting the "know-how" of successful salesmanship in a manner that anyone can understand, absorb and *apply*. Tests have demonstrated *conclusively* that even the most experienced salesmen will improve their technique *very materially* through the Sales-interview "Exercises" outlined in Volume 5.

Here's what the books do: They

1. Define the "know-how" of sales success.
2. Tell how to acquire this "know-how".
3. Explain exactly how to apply it in *any* type of sales-interview.
4. Present a novel plan for *practicing* this technique until perfect.

Thirty top-ranking sales executives in Canada and the United States collaborated with Bert Trestrail in preparing the manuscript, hence it reflects a rare wealth of sales knowledge.

6 Little Volumes Complete, only **$15.00**

On Sale at Most Book Stores

If presented as a correspondence or class-room course the cost would be at least $100.00.

FREE Examination

Write for sample set for free examination and special prices for quantities. Many companies are supplying sets of these books to each of their salesmen.

Comments by Critics

"It is a masterpiece."

"A gold-mine of advice."

"The best of its kind I've ever seen."

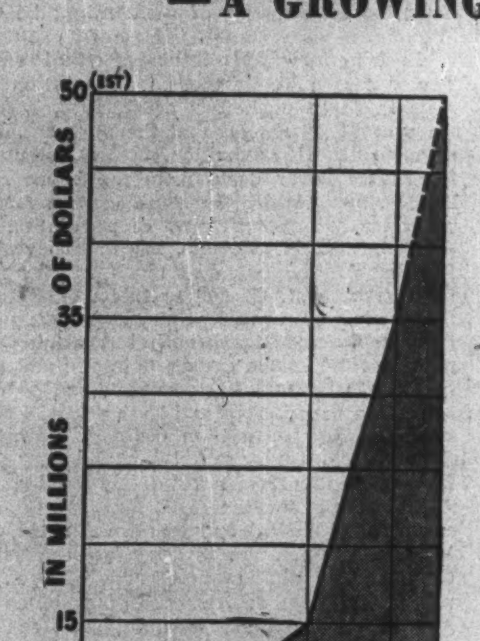
"The most experienced salesman will get new ideas."

"Should be in the hands of every salesman and sales executive."

"I wish that in my early days I had been privileged to study a work of this type."

B. A. TRESTRAIL, 229 Yonge St., Toronto, 1, Ontario

COMMERCIAL REFRIGERATION AND AIR CONDITIONING —A GROWING INDUSTRY—



It is estimated that by 1950 Canadian expenditure in this industry will be $50,000,000 per annum.

Canadian Ice Machine Company, Limited is one of the foremost Canadian companies engaged in commercial and industrial refrigeration and air-conditioning. Backed by years of experience and its association with the York Corporation, Pennsylvania, it will benefit substantially from the anticipated expansion of the industry.

The Company has no funded debt. The non-redeemable Class "A" shares are entitled to a cumulative preferential dividend of 80c per share, and a further participation to the extent of 20c per share. Net profits for 1946 covered cumulative dividend requirements over 2½ times.

We recommend these shares at $15.00 per share. At the basic cumulative dividend rate the yield is 5.33%. The shares are eligible for investment by Canadian life insurance companies.

A copy of the Offering Circular will be promptly furnished upon request.

Cochran, Murray & Co., Limited
Dominion Bank Building
Toronto

The Threat of Russian Wheat

After a long absence, Russian wheat is again coming into news. Reports from London state that the British Government hopes to place large orders with the Soviet Union for next year. This, of course, would ease the pressure on Britain's dwindling supply of U. S. and Canadian dollars, but it could also have a bearish effect on world prices generally, particularly if the present excellent U. S. crop prospects materialize.

There are some who will argue that Russia never had a real export of wheat; that shipments abroad were made at the expense of starvation at home. And, of course they were partly offset by Russian imports of wheat into Siberia. It was actually more economical to export wheat from Black Sea ports and import at Vladivostok than to move from one area to the other by the enormously long rail haul.

However, whether Russia should really eat all her wheat or sell some abroad, under her present form of government doesn't really matter. If the authorities decide to trade wheat and lumber for British manufactured goods they will do so and other wheat producers including Canada might as well get prepared for this new competition.

And it could be a very nasty type of competition too. Even in the early days of the U.S.S.R. mere threat of a few million bushels of wheat dumped on the market from Crimea kept prices jittery for months. This time with the Soviet Government more firmly in the saddle and with absolute control over the Danubian wheat country as well as its own, Moscow could, if it desired, upset wheat marketing over a wide area. By doing so it might hope to start a serious price collapse throughout the world and global depression.

The difficulty, as with most dealings with Russia today, is that we know so little of what is happening inside that country. Elsewhere there are regular and carefully checked statistics.

Canada and practically every other country save Russia report how much wheat they have on hand, how much they must have for home consumption—even how much they hope to grow. Weeks before the first combines and binders start working the world knows how much grain is in the making.

But with Russia there is no such information. The world is completely in the dark and might remain so until the wheat cargoes are actually on their way.

Tragic and Unnecessary

After 100 days of idleness the Maritime coal miners are going back to work. They have lost $4 millions in wages; the country a million tons of badly needed coal. And the whole thing was unnecessary.

The dollar-a-day increase in wages, plus the promise of 40 cents more if production is stepped up, were offered by the operators before the strike began. Without losing a single hour's pay or production the miners could have had in the first place, what they are taking now.

In the meantime an area which has never been prosperous, has been further impoverished. Miners' families have suffered severe and unnecessary hardship. Soup kitchens have had to be set up, and in towns actually built over coal seams, there have been shortages of fuel.

Out of this whole sorry episode there is but one possible redeeming feature. This strike and its settlement have featured the crying need for greater production per worker in the Maritime coal mines. Mine union officials have finally admitted that there must be some connection with production and pay. Previously they have completely ignored that relationship, have presumed that the taxpayer, through subsidies, would bridge the steadily widening spread between cost and value of production.

That attitude has brought Maritime coal mining perilously close to extinction. Production per man per day has fallen from 2.7 tons prewar to 1.4 tons this year. The latter figure compares with 3.9 tons per man in Alberta and 5.7 tons per man in the United States. Only in Great Britain is production lower, and the whole world knows the consequences.

Not low wages but low production is at the root of our Maritime coal troubles. If the recent strike has brought that point home to the workers and operators then there may be some gain to offset the tragic loss.

To Help Build Nest Egg

That was more than an interesting suggestion regarding income tax offered by Roland Beaudry in the House of Commons the other day. He advocated progressive cuts after a man reaches 55 with the whole levy wiped out on modest incomes after he reaches, say, 67. Such a policy, Mr. Beaudry argued, would permit the citizen to make better preparations for his old age and retirement.

Normally the average family man has little opportunity to save much for his old age until well into his fifties. Family expenses, and particularly those incurred in educating his children, are very heavy up to then, and any retirement nest egg has to be accumulated mostly in the last ten years of active working life.

High income taxes and low interest rates make that task unusually difficult today. Anything that would help the average citizen to provide for his own retirement rather than throwing the burden on the state is worth most careful consideration.

In a similar category was the suggestion of James Muir, general manager of the Royal Bank, speaking before the Canadian Life Insurance Officers Association, that reasonable life insurance premiums be deductible before income tax.

While the taxing authorities have done nothing in this direction, they have admitted the reasonableness of such a policy. When compulsory saving was part of the tax policy it was possible to apply life insurance premiums up to a certain fixed percentage against such obligatory savings. Most life insurance is placed during the years when a man's obligations in relation to his earning power are at a maximum. In assuming such obligations he is accepting a personal responsibility that many, whether through necessity or ignorance or indolence, are tossing in the lap of governments.

That the citizen who pays for the protection of his family and himself should have these payments taxable as income while other citizens pay nothing and let the public carry the load, is certainly not a situation that will encourage people to shoulder their own responsibilities.

Communists Score Again

The communists have scored again. Now that the shouting is over, a sober review of the fuss over whether Paul Robeson should just sing or sing and make a speech too, proves that.

This latest red herring, this time in the form of freedom of speech, had all Toronto and a good part of Canada talking and arguing. Our Soviet disciples, when they weren't patting themselves on the back for engineering the hoax, for that's what it was, kept the phony issue alive without too much effort.

On the face of it, there should never have been an issue at all; but for the gullibility of some Torontonians, there never would have been.

Instead, the Toronto Police Commission, and leading civic political leaders, talked of gagging the great negro baritone. For a few days, the controversy raged back and forth. A special meeting of the police commission was called. Out of it came an order which was generally interpreted to mean that Robeson could not make a speech.

That was Saturday noon. Robeson was to sing that night in the Coliseum in the Exhibition grounds. What a publicity buildup! And it must have paid off. Last time Robeson sang in Toronto, about 3,000 heard him. This time, 6,000 paid anything from 50c. to $2.40 to hear him or be on hand if anything happened.

After the whole thing was over and when puncturing the balloon wouldn't hurt the box office, the communist organ, the Daily Tribune tried to keep the issue ailve by printing what it called an exposure of a plot to gag Robeson. But what it carefully ignored was the fact that if there was such a plot, the seed was planted in the first place by the people promoting the concert.

It was this source that "tipped off" a newspaper that the mayor of Toronto had received protests about letting Robeson speak in between numbers. Actually, the mayor got three letters. But out of this molehill grew the freedom-of-speech mountain. And in the end, Robeson "spoke" anyway.

Everybody lost but the communists. They were two-time winners, for the fuss paid off handsomely in cash as well as propaganda. They struck a blow for Uncle Joe by creating mental confusion and suspicion and at the same time collected a nice tidy sum for the Tribune Foundation Fund which, besides Robeson, was the chief beneficiary. No wonder the reds are chuckling.

For a Permanent Car Plate

What good reason there is for a new license plate for a motor car every year has never been revealed. Being detachable it rattles, falls off and catches clothes and luggage. Renewing it each spring is a nuisance. But those are minor faults compared with one mentioned in the special crime article on page 13. These removable plates a (let us hope) reformed thief points out, make car stealing easy.

A permanent number, welded to, or part of the car body, would stop this quick and easy changing, besides being much neater and much more convenient for the car owner. There would be no more wasted time in plate distribution. When a new car was sold the number and owner would be reported to the authorities and that owner would be responsible for all taxes until he registered a transfer of the vehicle to someone else.

Fifty Millions by 2047?

Based on the development of similar areas and climates of Europe, Canada could support a population of at least 50 millions with a high standard of living, and up to twice that figure if we are content with standards comparable with those prevailing across the Atlantic. This is the conclusion of Professor Griffith Taylor, Professor of Geography at the University of Toronto, in his latest study on Canada to be published this fall by Methuen & Co. of London, England. This maximum growth, Taylor believes, could be reached within the next century under favourable conditions.

Canadian climate and resources, states this investigator, are more generally comparable with Eastern Europe and Siberia than with Western Europe. He cites what has been done in developing the former areas, especially the north, as an example of what might be done here.

Looking forward to future growth, Professor Taylor sees a big increase in population possible in three particular areas, first, between the present settlement and the northern limits of agricultural production, second, along the Mackenzie River basin from the Peace River District north, third, in south central Alberta.

If we had the pressure of population that exists in northern Europe, Taylor believes that farming could be pushed much farther north than at present. Of course this would not be the predominant wheat-dairy type of agriculture we have farther south but would hinge more around coarse grains, potatoes, and grazing.

Certain hardy crops and livestock will thrive much farther north than ordinary farming is found today, Taylor maintains, and very much farther in the fertile and fairly mild valleys north of the Peace River District.

In south central and western Alberta, Taylor sees a population as dense as anywhere in Canada. The abundant reserves of coal, gas, power, water and other resources combined with a good climate make this a logical area for future development, he contends.

This book, which goes into great detail regarding present settlements and development, climate, minerals, forests and agricultural and other resources, will be similar to a companion study of Australia by the same author.

Our Costliest Commodity

Fear is still the costliest commodity in the world.

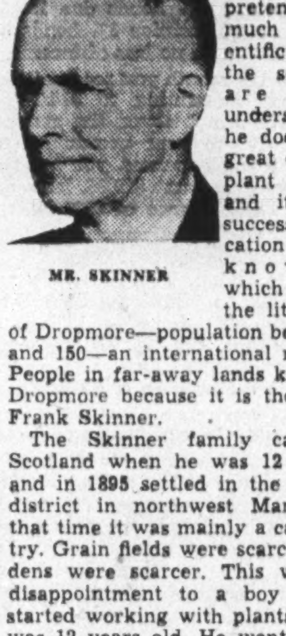
In a world that is starving for almost everything we are still spending $27.4 billions annually for armaments and armies. There are still 19 million men in armies. That is more men under arms, and twice the expenditure for military security than in the ominous 1939.

What is $27.4 billions? It's just about $16 per person alive in the whole world today.

Post Scripts

Bloom For the Prairies

Horticulturists of the Northern Great Plains regard it an honor to themselves that Frank Leith Skinner of Dropmore, Manitoba, has had conferred on him an honorary Doctor of Laws degree by the University of Manitoba. Frank Skinner never had the advantage of specialized academic training nor does he pretend to know much about scientific rules in the sense they are generally understood. But he does know a great deal about plant breeding, and it was the successful application of this knowledge which has given the little village of Dropmore—population between 100 and 150—an international reputation. People in far-away lands know about Dropmore because it is the home of Frank Skinner.


MR. SKINNER

The Skinner family came from Scotland when he was 12 years old and in 1895 settled in the Dropmore district in northwest Manitoba. At that time it was mainly a cattle country. Grain fields were scarce and gardens were scarcer. This was a sad disappointment to a boy who had started working with plants when he was 12 years old. He went to school for a few months in Manitoba and then quit with an elementary knowledge of mathematics, French, Latin, and botany, most of which he acquired in the schools of Scotland.

In Canada he wanted to grow old country flowers but soon found that few of them would stand the rigors of western climate. He started collecting flowers which looked like those which grew in Britain. When he was 28 he made a trip through parts of the United States and Canada, studying plant breeding methods wherever he went. He came home with his grips and pockets bulging with roots and cuttings of native American plants.

In the meantime by careful crossings he had produced some hardy hybrids of the plant world which were starting to attract attention in the horticultural world. Two or three years after World War I things started to get bad on the Dropmore farm he was sharing with his brother. By 1922 it was case of either giving up the study of plants or turning it into something which would give a cash return. M. B. Davis, now Dominion horticulturist, and Prof. William Alderman, head of the horticultural department of the University of Minnesota, visited Dropmore about this time and were so impressed with Skinner's work that they persuaded him to stick to horticulture and start a nursery.

The Dropmore nursery is now 25 years old. In that time its originations have been shipped to nearly every country in the world. Skinner's first sales were some hybrid roses and he is still seeking the ideal rose for the prairies. One of his specialties has been lilies. He originated the Maxwell Lily which was judged the most outstanding herbaceous plant in the British Empire the year he showed it and won the award of the Cory Cup.

He has developed a chrysanthemum which flowers early enough for western Canada. He brought lilac roots from Korea, crossed them with the common lilac, and produced what is known as the Diltata hybrid which is hardier in Manitoba than the hitherto much-favored French lilacs and is outgrowing all other varieties in Maryland, Colorado, Wyoming, and most other States in which it is being tried.

—Cartoon by Grassick.

Ten years from now he hopes to reap rewards of experiments he is making to produce a poplar tree rich in cellulose content, of easy and rapid growth, and resistant to disease. Most of Dr. Skinner's work is original because he is always trying to produce something new. He has travelled over most of North America, much of Europe, and parts of Asia to get his foundation stock for experimentation. This summer he plans a trip to France and Sweden.

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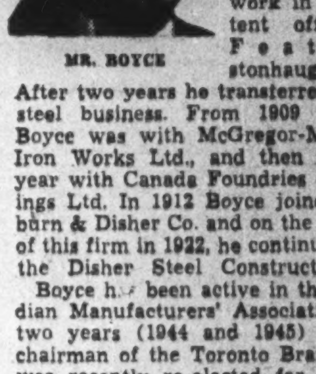
New Steel Head

Thomas Edward Boyce, recently appointed president of the Disher Steel Construction Co., is widely known in Canadian business circles, particularly for his organizing ability.

Born 55 years ago in London, England, jovial, enthusiastic and energetic Tom Boyce received his education at Woolwich (Grammar) School there. On graduation at the age of 15, he came to Toronto, where he started work in the patent office of Featherstonhaugh & Co.


MR. BOYCE

After two years he transferred to the steel business. From 1909 to 1911 Boyce was with McGregor-McIntyre Iron Works Ltd., and then about a year with Canada Foundries & Forgings Ltd. In 1912 Boyce joined Hepburn & Disher Co. and on the division of this firm in 1922, he continued with the Disher Steel Construction Co.

Boyce has been active in the Canadian Manufacturers' Association. For two years (1944 and 1945) he was chairman of the Toronto Branch and was recently re-elected for his second term as chairman of the Ontario Division. He is a representative of the C.M.A. on the board of the Canadian National Exhibition and on the Advisory Board of Education (also past chairman) for technical schools and collegiates.

Boyce is particularly well known as a "good host." For the last five years he has ably headed the reception committee for the annual convention of the Canadian Manufacturers' Association. He made all the arrangements to do the same this year for it next week at Banff, but pressure of business forced him to cancel his trip.

For a number of years prior to the war, Boyce also arranged a fishing trip to Temagami each year for a number of executives in the Canadian and U. S. steel industry who were his friends. He resumed this annual party last year with 33 in the the party besides guides.

Boyce is a director of the Canadian Institute of Steel Construction and was president from 1935 to 1937 inclusive; is vice-president of Ontario Bridge Co. and a director of the Industrial Accident Prevention Associations. He has been a member of the Rotary Club of Toronto for over 20 years, is a member of the St. George's Society, the Toronto Board of Trade and the Belleville Club, Belleville.

In 1918 Boyce married Agnes Young Melville (from Scotland) whom he met at the Hepburn & Disher Co. They have four children, two boys and two girls. Boyce is very fond of fishing. For nine years, he sang as tenor with the Mendelssohn Choir.

Stop Me If—

A well-known film star, having just completed the ceremony of opening a bazaar, was talking vivaciously to an engrossed circle of reporters when a Cockney kid pushed his way through them with an autograph book in his hand.

"Sorry," snapped the star, "I can't sign my name just yet."

"Oh, never mind," said the lad. "If you can't write, put a cross."

The Struggle for the World

Communist Policy of "Total Power" Seen Entering Final Stage

"Struggle for the World" is the latest book by James Burnham, author of Managerial Revolution and other important volumes. The U. S. he says is wavering in its policy, does not apparently comprehend the nature or vigor of Russian drive for world domination. Herewith a digest of a significant part of his argument. Publisher is Longmans, Green.

All political parties seek power. The peculiar characteristic of Communism is that, wherever it operates, it seeks an absolute monopoly of all power. . . . Therefore, negatively, it aims to destroy all rival, independent foci of power in society as a whole. That this is the aim (indeed, the supreme aim) of Communism is proved by the fact that Communists act in accordance with it wherever, and to the extent that, it becomes technically possible. It is exemplified just as plainly in the conduct of a Communist fraction on a magazine's editorial board or in an American trade union as it is by Communist behavior when they take charge of a nation . . . .

The Communist doctrine, hardened as it is into a fixed mental pattern by a century's tradition, is not the only force impelling Communism toward the goal of World Empire, though it alone is sufficient to establish and maintain World Empire as the goal of Communist activity. At least three other major pressures are operative:

1. We have already noticed the senses in which contemporary society is ripe for World Empire. This is evident to all observers, but seems particularly clear when analyzed from the Marxian point of view, in terms of which Communists understand the world. The international division of labor, the development of rapid transport and communication, the complex inter-relationship of world industries, the unavoidable impact of each region of the world upon every other, the patent archaism of the present political divisions, the class stratifications ignoring national boundaries, all constitute what Marxists call the "material conditions" for a world state.

2. The effect of economic and social failure within the Soviet Union is also a driving force for its policy. The great mass of the Russian people has lived, under the Communists, at a material level well below that which it had under Tsarism, and this level has declined during the Five Year Plans. Hunger, cold, and squalor, as well as terror and slavery, are the products of a quarter century of Communist victories. The expansion of Communist rule . . . serves to divert attention from the internal difficulties; looting of conquered territories means a temporary addition of desperately-needed consumer goods; the new territories yield the Communists vast new reserves of manpower, upon which they rely to make up for industrial inferiority; the Communists gain new capital goods—factories, mines, railroads, machines.

3. World conquest is for the Communists the only means of self-defense.

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Soviet policies are mysterious only to those who persist in looking at them from the outside, separately and piecemeal, who refuse to use the key which the Communists themselves supply to all who wish to use. If we have a general understanding of the nature and goal of Communism, all that we further need is a grasp of the main current line. Then everything fits into place, from slogans to assassinations, and the policy as a whole is revealed to be not in the least mysterious, but more direct and simple than any other in the world.

For convenience, the task of the preparation for the third world war may be subdivided into the following:

1. The attempt to consolidate effective domination of the Eurasian continent.

2. The simultaneous attempt to weaken and undermine all governments not under Communist control.

The Communist objectives in relation to the United States may be summed up as follows:

First, to try to prevent interference by the U. S. with the Communist plans for the consolidation of Fortress Eurasia, and even to gain U. S. assistance in fulfilling those plans;

Second, to weaken, undermine and demoralize the U. S. to the maximum extent possible prior to the open war struggle;

Third, to become embedded within the social fabric of U. S. life in order to be ready for direct action—espionage, sabotage, stimulation of riots and revolts, etc.—when the open war begins.

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Between the two great antagonnists there is this other difference, that may decide. The Communist power moves toward the climax self-consciously, deliberately. Its leaders understand what is at stake. They have made their choice. All their energies, their resources, their determination, are fixed on the goal.

But the western power (United States) gropes and lurches. Few of its leaders even want to understand. Like an adolescent plunged into his first great moral problem, it wishes, above all, to avoid the responsibility for choice.

It is not our individual minds or desires, but the condition of world society, that today poses for the Soviet Union, as representative of Communism, and for the United States, as representative of western civilization, the issue of world leadership.

This issue will be decided, and in our day. In the course of the decision, both of the present antagonists may, it is true, be destroyed. But one of them must be.

What Others Are Saying

Editorial of the Week

Our Rights Must Be Deserved

Windsor Star

The sad fact is that too many Canadians are talking today as no Canadians should ever talk. They are comfortably assuming that this nation owes them a living, owes them freedom from all concern and effort.

It is time for us to start talking about our responsibilities. We prate of our great resources, and they are immense. But they will not rise out of the ground at our mere behest. We rave about the youthful vigor of this country, and act like people who are settling comfortably into the ease of old age.

Certainly our rights should be prized. They should be safeguarded to the utmost of our ability, but we shall not do that by assuming that they are irrevocably ours simply because we happen to have been born Canadians or decided to migrate to this country. They will remain with us only so long as we work to keep them, only if we fight to retain them, if need be. In short, we shall keep them only so long as we prove ourselves worthy of them.

Other People's Views

PERHAPS THE COMMONS will have the courage to repeal the ban on margarine, hope the **Toronto Globe and Mail.** "It is no longer a matter of protecting the public's health, but purely one of protecting a single industry."

WE CAN'T TAKE TOURIST INFLUX FOR GRANTED, warns the **Saint John Times-Globe.** "American families who are mapping out vacations will be bombarded with tempting publicity from all sides. To hold and build up Canada's tourist trade will require a continued energetic endeavor, on the part of both organizations and individuals."

THE NEXT GENERAL ELECTION will be one of the most important and decisive in the history of the country, says the **Canadian Statesman** (Bowmanville, Ont.). "What are the prospects of the four parties should an election be called? It is conceded, even by leaders themselves, that neither the CCF nor the Social Credit can hope to draw enough support to form a government. The test therefore will be between the Liberals and Progressive Conservatives."

MORE PRODUCTION is the only way to bring about lower prices, points out the **Vancouver News-Herald.** After commenting on what happened after the first Great War it states: "The hope this time is that, if prices don't go much higher than they are at present, the drop may not be so drastic. The pendulum won't have as big a swing. The 'boom' hasn't been as big, so the 'bust' shouldn't be as bad. In the meantime, buyers' strikes may be spectacular but they don't have much real significance. Easier prices, as last time, will result from increasing production."

SOMETHING SEEMS WRONG with our judicial system, asserts the **Windsor Star.** "With disconcerting frequency, convictions in serious offences are being set aside by the Court of Appeal. In almost every instance, the grounds for these decisions are the same: disallowance of evidence in the Trial Division.

There seems to be need for an exhaustive investigation to search out the weakness which obviously exists in our system of law enforcement and administration. As matters stand now, there is grave suspicion that many criminals are escaping their just deserts by the application of technicalities."

APROPOS OF THE ROBESON affair the **Calgary Herald** explains Toronto precautions against any seditious talk by the great singer in this way: "The trouble is that the British in Britain are one thing, and the British in Toronto are so desperately anxious to be British that they have overlooked the keynote of the British character and the British tradition, which is tolerance. Not just tolerance for people who are pro-British—Toronto could understand that—but tolerance for people who are anti-British as well. This, by the way, is one of the testing points of a true democracy. But we don't think Toronto appreciates this, and we don't think Mr. Robeson appreciates it, either."

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May 31, 1947

The Provincial Roundup

Prince Edward Island

Speed Spud Exports

The Island's three million bushel potato contract with the United Kingdom was more than 75% filled, with the balance ready for shipment as soon as carriers were available. Reporting British authorities "more than satisfied" with the quality, Chairman J. G. Taggart, of the Agricultural Prices Supply Board, urged all possible speed in completing shipments; warned warm weather would bring a danger of sprouting and of deterioration in quality. Meanwhile, with spring planting delayed nearly four weeks by backward weather, officials forecast a 10% cut in potato acreage this year. For the first time, growers are required to plant seed stock, whether the crop is intended for certification or for table use.

Abegweit Due Soon: Three years on the drafting table and as long on the ways (The Financial Post, May 3), the new 7,500-ton car ferry Abegweit was finally scheduled to leave Sorel shipyards for a trial run in early June; soon afterward to be put into service between the Island and New Brunswick, in order to ensure several months of open-water operation, before testing her ice-breaking powers on the floes of Northumberland Strait. Powered by 12,500-h.p. Diesel-electric engines, the vessel is equipped with bow propellers which, in addition to supplementing her power, will suck water out from beneath the ice ahead, thus weakening the latter for the hammer blows of the bow.

Every Building Mapped: Every building on the Island, and every change of 25 ft. in elevation, are indicated on an aerial survey map, prepared by the National Defence Dept. Ten feet in length, with scale one mile to the inch, the map pinpoints trees, swamps, cleared lands and other landmarks.

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Nova Scotia

Timber Controls Stay

Ottawa thumbs-downed the province's plea for relaxation of timber controls, to permit it to export birchwood threatened by a mysterious "die-back" blight. In answer to protests that 600 million feet of lumber now standing, will be a total loss in five years (The Financial Post, May 3), federal authorities replied: it was difficult to differentiate between healthy and infected lumber, and Canadian consumers must be protected. Ottawa offered a compromise: if the province's 1947 cut of birch exceeded 1946's, 75% of the excess could be exported.

Annapolis in Bloom: One hundred miles of apple orchards, from Windsor to Digby, blazed with pastel beauty this week as Annapolis Valley held its 15th annual Blossom Festival (May 30-31, June 1); featured this year by commemoration of the 100th anniversary of Longfellow's "Evangeline." Festivities centred in Kentville, but extended to Middleton, Wolfville and Grand Pre. One of the Dominion's main fruit belts, the Valley last year harvested more than two million barrels of apples.

Link Halifax, Dartmouth?: Either a bridge or a tunnel would soon link Halifax and Dartmouth, the former city heard. Reports said federal authorities were studying specifications for the project; hinted a definite announcement before the by-election scheduled for July 14.

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New Brunswick

Cocktail Bars Urged

Cocktail bars would prove a three-way benefit to the province, the Hotel Association contended: would attract tourists, encourage improved hotel accommodation, and make for moderation in drinking. Association spokesman J. S. Taylor cited Quebec's Laurentians, where hotels cater to tourists with swimming pools, riding stables, boating and dancing: "With revenue from cocktail lounges, we could provide similar facilities, and bring the province's hotels away from being the status of being just places to spend the night. At present, hotel guests who may want only one drink, have to buy a bottle, and drink it in their rooms. Tourists accustomed to cocktail lounges, don't wish to remain long in a province where, to obtain a drink, they must resort to hole-in-the-wall practices."

Seed, Grain Trophies: Oats of Carleton, Kings and Kent county do not compare favorably with those of Gloucester and Restigouche in weight, Agriculture Minister A. C. Taylor reported, announcing the results of the 1946 seed grain competitions. Sweepstakes prize went to Guy Riordon, Gloucester, with estimated yield of 85 bus. to the acre, weight 44½ lb., against an average of 37 to 39 lb. Barley prize went to Alonzo Audette, Restigouche, with 56 lb. to the bushel. Competitions will be held again this year, to encourage "maintenance, at least, of normal acreages."

No River Boats: For the first time in 131 years, no river boat would operate on the St. John River this year. St. John Marine Transports Ltd. reported it had been unable to find a suitable successor to the D. J. Purdy, sold last October as obsolete. The stream, above Gagetown, was accessible only to vessels of less than nine feet draught; and none such were available from War Assets Corp. or other sources. The Purdy, meanwhile, was to be beached and converted into a restaurant and dance hall.

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Quebec

Won't Sacrifice Timber

The province's forestry resources are "too rich and important to sacrifice, even for temporary prosperity," Premier Duplessis insisted, reiterating his previous stand against construction or enlargement for paper mills "except in a couple of very particular and special cases." Dealing with pleas from New Brunswick mills for permission to export unprocessed timber: "Always we shall be happy to collaborate with all provinces, in particular with New Brunswick . . . but in the development of our resources, collaboration must not be a one-way street."

Big Works Program: The province's public works program included projects to a value of several million dollars in Greater Montreal: A 500-bed hospital on Sherbrooke St. E.; a $200,000 anti-tuberculosis sanatorium in Rosemount; a new $1.5 million bridge at St. Eustache, replacing the old de Bellefeuille structure; $200,000 domestic art schools in St. Henri and Maisonneuve; extension of the metropolitan boulevard to Dorval, which will probably involve a tunnel under the railway tracks; resurfacing of Pie IX Blvd., to cost $490,000.

Biggest Convocation: Historic McGill University this week was holding the largest convocation in its annals; degrees and diplomas conferred on more than 1,000 students, including many war veterans, on Wednesday (May 28). With total student enrolment over 8,000, more than double any pre-war figure, even larger graduating classes were in prospect for '48 to '50.

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Ontario

Plan Health Insurance

Health insurance, on a wider voluntary basis than anywhere else in North America, was on its way in the province. Endorsed in principle almost unanimously by the Ontario Medical Association, the plan was now being drafted in detail, for submission to OMA directors next month. The plan would be broader than present systems, in that it would provide attention for known chronic ailments. Fees of $2 to $2.50 a month were tentatively suggested. Spokesmen stressed the system would be "entirely voluntary" for both practitioners and the public; but voiced belief the former would enter it practically 100%.

Cities Need Revenue: Municipal governments need new sources of revenue, to ease the burden on real estate, Provincial Secretary Daniel Roland Michener agreed, citing provincial grants toward education, and subsidies from gasoline tax collections. Simultaneously, Municipal Affairs Minister George Harrison Dunbar announced plans for a special assessment branch in his department, to supervise municipal methods, and to strive for uniformity in assessment systems. As Ontario's population increased from 3,612,059 in 1945 to 3,690,221 last year, property assessments had grown to $3,174,442; and tax levies had risen from $108,163,000 to $116,828,636.

Farms Need Workers: The province faces a shortage of 5,000 farm workers, and food costs will remain high until this is remedied, Agriculture Minister Thomas Laird Kennedy warned, appealing for volunteers. Five hundred Dutch farm workers were en route from their native land for placement in Ontario; but they only make up "a fraction" of the total required, Kennedy emphasized. Some Farm Service Corps camps were opening, but the minister doubted that high school student response would be as high as under wartime stimulus.

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Manitoba

Seek New Power Sites

Faced with increasing demands for electric energy, the province looked to the Dauphin and Nelson rivers, to supplement existing power supplies; planned surveys as soon as weather permits. With power consumption rising 7% in each of the last three years, engineers warned of an acute shortage within a few years. Last year Winnipeg Electric Co. generated 200,720 h.p. on its Winnipeg River plants and the Winnipeg Hydro 118,310. An additional 68,150 h.p. was imported from Island Falls, Saskatchewan, for operating the mine and plant of the Hudson Bay Mining and Smelting Co. at Flin Flon.

Electrifying Farms: Construction on a 73-mile $300,000 auxiliary transmission line was to start this year, as a step in the Manitoba Power Commission's farm electrification program. From Mapleton (on the Red River, some 22 miles north of Winnipeg) the line was to run west to Portage la Prairie; later would be extended to Brandon.

Try Radio Phones: Radio telephones might prove the solution of the province's communication problem. Unable to get materials for extensions demanded, the Manitoba Telephone System was experimenting with radio equipment, to link Winnipeg and the Cod's Lake mining district. If successful, the plan would be put into operation in other northern areas. Pressure on long distance telephone facilities from the capital to The Pas, Flin Flon, Sherridon and other points, was reported heavier than ever before; only one line with limited capacity to The Pas, and it might be late this year before additional facilities could be installed.

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Saskatchewan

Harvest U. S. Grain

Reciprocal harvesting between Canada and the United States was under way once more this week. More than 300 Saskatchewan combines and crews had migrated southward, expecting to gross more than $1 million in American wheat fields before returning here by Sept. 1. More than 100 similar crews would go from Manitoba and Alberta; the latter province reported nearly twice that number of applications to cross the border, but indicated not all would be granted.

Crown Telephone Corp.: The province's public telephone system was to become a Crown corporation, government-administered, June 1; the change aimed at separating the administrative and regulatory functions of the telephones department, it was explained. Chairman of the new corporation is Telephones Minister C. C. Williams. The system now consists of 330 exchanges, 235 toll offices: total wire mileage about 53,000; long distance mileage about 7,160; annual net surplus of the system, approximately $650,000. Similar legislation to convert the province's Power Commission into a Crown corporation, has not yet been brought into force.

Biggest Highway Budget: The province's most ambitious road construction program envisioned 1947 expenditures of $4,316,751; of which $1.7 million would go for hard-surfacing 239 miles of highway, another record figure. Contracts had already been awarded for 32 projects, including 172 miles of hard-surfacing, (the longest stretch, 84 miles, from North Portal, at the U. S. border, to Weyburn); and also a crude oil experimental project south of Lloydminster.

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Alberta

More Tax Revenue?

Federal retirement from the amusement and pari-mutuel tax fields might net the province $400,000, doubling its present revenue from such sources, Premier Manning estimated. Pending final word from Ottawa, however, it was uncertain if and when the province would add the present Dominion levies to its own.

Premier Manning also announced final approval by the province, with "a few comparatively minor changes," of the agreement with Ottawa on conservation of the eastern water slopes of the Rockies. The Dominion would pay between $6 millions and $8 millions during the first few years of the agreement's 25-year term; the province about $125,000 yearly. (At present, Alberta spends about $100,000 yearly on forest patrols, fire guard systems and fire-fighting operations.)

Roper Rebuked: CCF Leader Elmer Roper was "amazed" that Premier E. C. Manning saw no impropriety in Attorney-General Lucien Maynard's ownership of a $1,000 share in a $24,000 hotel at Wanham, which had received a government loan. "A perfectly normal situation," Manning insisted. "Similar loans are made to hundreds of companies . . . there is no reason why a man who might own a hotel, should not become a cabinet minister." Roper's challenge for a public statement on the subject, he branded "showmanship tactics . . . the information is already public property."

Free Care for Pensioners: Effective next week, old age pensioners, blind pensioners, mothers' allowance recipients and dependents, were to receive free medical, dental, hospital and eye care. Pending further notification from Ottawa, the province marked time on the question of supplementing old age pensions.

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British Columbia

Lobsters Coming Up

"Somewhere off Nanaimo," British Columbia's first lobster colony was nearer realization today. Two thousand live lobsters, imported last year from the Bay of Fundy (The Financial Post, Nov. 23, 1946, Mar. 15, 1947) had laid their eggs in a secluded lagoon (exact location secret). Thus one question had been answered affirmatively: whether the emigre crustaceans would spawn in alien waters. But marine marauders such as skate, dogfish and cod might still menace the eggs and later, the baby lobsters. Officials estimated 13 to 14 years might be required to establish a sound lobster industry on the Pacific coast.

And Now, Anchovies: Nanaimo had another piscine invasion this spring—a swarm of anchovies, which both amateur and professional fishermen seined in large quantities. This tended to upset one theory explaining the disappearance of the huge shoals of herring which had visited Nanaimo in the past. Some observers had suggested that contamination of the harbor waters with oil, had driven the herring away. But the anchovy is known as a fish with even "daintier" feeding habits than the herring.

Salvage Lost Weekend-ers?: A $10,000 job unique in Canadian annals was open here: a director of temperance education, to teach the province "proper moderation in drinking"; his salary to be paid out of government liquor profits. Education Minister George Moir Weir, already in correspondence with several medical schools, laid down the qualifications sought: a medical doctor, a graduate in public health, and one with experience in alcoholism research. "If we don't get a good man to direct the program, we can't expect to solve the problem," said Weir. The province's venture was to be patterned after Yale University's School of Alcohol Studies, which "stresses the relationship of alcohol to various phases in life."

BUSINESS THIS WEEK

	APR.	MAR.	FEB.	JAN.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	....	....	236.6	236.7
Dom. total expend.	....	....	....	170.8	346.9
MERCHANDISING					
▪Dept. store sales index no. (1)	232.8	239.8	189.7	165.1	213.3
Retail sales index (no.)	....	223.2	183.3	181.1	210.3
Country store index (no.)	....	178.4	151.1	148.7	169.9
Wholesale sales index (no.)	....	256.5	231.7	237.5	234.0
FINANCE					
Dividend payment index (5)	159.1	156.7	155.5	155.2	138.7
Bank debits	....	....	229.4	236.3	218.7
Money supply (millions $)	....	....	7,555	7,545	7,126
NEWSPRINT CAPACITY					
Production ratio	101.0	101.8	101.0	101.1	98.8
Shipment ratio	102.8	102.1	94.7	94.1	96.7
RAILWAY FREIGHT LOADINGS					
▪Tons (D.B.S.)	189.6	190.7	134.2	194.2	197.6
▪Cars (D.B.S. index)	158.5	151.9	150.9	164.3	148.9
COST OF LIVING					
D.B.S. index	130.6	128.9	127.8	127.0	120.8
EMPLOYMENT INDEX					
All industries	....	180.3	180.7	181.0	167.9
Manufacturing	....	194.5	193.9	190.6	182.6
Payrolls (June 1/41=100) (2)	....	162.9	160.7	150.2	137.6

	1947	1946	Jan. 1 to date 1947	Jan. 1 to date 1946	Change %
RAILWAYS—(000's omitted)					
▪Carloadings (week May 17)	77.9	66.4	1,401.6	1,325.0	+5.8
▪C.P.R. gross rev. (May 14)	5,977	5,101	109,270	103,855	+6.1
▪C.N.R. net rev. (Apr.)	3,777	4,385	9,255	11,762	—21.3
▪C.N.R. gross rev. (Apr.)	36,019	31,411	136,295	123,770	+10.1
C.P.R. gross rev. (Mar.)	26,954	25,254	71,348	71,161	+0.3
C.P.R. net rev. (Mar.)	2,115	1,699	1,276	4,277	—70.3
IRON AND STEEL (000's omitted) (Mar.)					
Pig iron production (tons)	164.4	142.2	492.3	327.9	+50.1
Steel production (tons)	269.7	249.1	748.8	727.6	+2.9
CONSTRUCTION (000's omitted)					
Contracts awarded (Feb.)	53,452	33,092	98,162	60,487	+62.3
Building permits (Feb.)	17,598	16,572	34,238	31,859	+7.4
Cement prod., bbls. (Feb.)	422.3	273.4	826.2	583.9	+41.5
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Mar.)	2,354	2,293	7,044	6,779	+4.0
Flour exp., bbls. (Mar.)	1,356	1,042	3,966	3,317	+19.6
Wheat exp., bush. (Mar.)	7,983	15,385	30,282	40,481	—25.2
Cattle sales (Apr.) (4)	104.5	112.3	411.0	515.7	—20.3
Hog sales (Apr.) (4)	396.6	397.8	1,446.9	1,718.8	—15.8
SEA FISHERIES (000's omitted)					
▪Catch, lb. (Apr.)	27,483	34,111	172,877	160,747	+7.5
▪Landed value (Apr.) $	1,796	2,206	5,660	6,564	—13.8
NEWSPRINT (000's omitted)					
Production (Apr.)	369	338	1,453	1,309	+11.0
Exports, tons (Apr.)	376	348	1,414	1,270	+11.4
MINING AND OILS (000's omitted)					
Coal prod., tons (Feb.)	1,132	1,841	2,809	3,440	—18.6
Gold prod., (fine oz.) (Feb.)	222.1	228.9	456.0	467.4	—2.4
Petroleum prod. (brl.) (Feb.)	534.5	610.3	1,132.1	1,290.6	—12.3
ELECTRICAL POWER OUTPUT (000,000 omitted) (March)					
Total monthly kw.h.	3,937	3,587	11,462	10,149	+3.1
FOREIGN TRADE (millions of $)					
▪Imports (Mar.)	206.9	139.9	559.8	397.3	+40.9
Exports (Mar.)	209.0	178.4	597.1	520.7	+14.7
FINANCE (millions of $)					
Bank debits (Mar.)	5,737	5,678	17,550	17,005	+3.2
Bond sales (Apr.)	660.3	577.7	2,140.8	2,170.9	—1.4
Life insurance sales (Mar.)	104.1	102.7	305.7	268.5	+13.9
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Mar.)	3.5	4.0	9.9	10.9	—9.1
▪Cigarette cons. (no.) (Apr.)	1,178	1,049	4,848	4,612	+5.1

(1) Base period 1935-39=100.
(2) All industries.
▪New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, ets.
(6) d—deficit.

Business Established 1889

While keeping fully abreast of the times, this organization has acquired a fund of investment experience to draw upon in serving its clients abroad as well as from coast to coast in Canada.

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*A.N.P.A. Bureau of Advertising

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"Canada's Greatest Newspaper"
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says Canada's Premier Typist . . . and she knows!

Wherever this new Underwood goes to work, UP soar production and quality of work—DOWN drop operator-fatigue and typing costs!

Rhythm Touch makes pre-war typewriters obsolete—it's a radically new engineering development! Instinctively, fingers swing into a typing rhythm—*faster—quieter—feather-light.* Typing is effortless! Work is a picture!

Insta-Set Margin Controls, Double Touch-Tuning and a host of other *exclusive*, time-proved features are retained on the post-war Underwood—features that have won for Underwood official world records for speed and durability.

See it! Try it! And you'll buy it!

Underwood Typewriter
Outspeeds—Outwears—Outsells them all!

Underwood Typewriters — CANADA'S 7-OUT-OF-10 CHOICE *According to Underwood Limited records

Beware of "hunches", tips and rumours

Many people think they are *investing* when actually they are *speculating* on "hunches", tips or rumours. But for every person who buys on a "hunch" and profits from it, hundreds guess wrong and suffer accordingly.

As investment dealers in reputable securities—tips, "hunches" and rumours have no place in our judgment. Facts about securities we underwrite and sell are always available.

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Construction Trends By CLIVE CHATTOE

Drive for More Housing Seen Shaping at Ottawa

Look for an all-out drive by Ottawa to speed the rate of new "starts" in house building after passage, days hence of wider and more generous housing loan aids in far-reaching amendments to the NHA. (The Financial Post, May 17 and 24.)

Starts so far have lagged 40% in value below 1946, have been about 25% below the number needed to attain the official target of 80,000 completions between Christmases.

Here's another picture of how new starts have declined off 36% from a year ago, according to number of new housing units in contracts awarded:

HOUSING UNITS AWARDED
(MacLean Building Reports Ltd.)

	1946	1947
Jan.	922	950
Feb.	1,796	1,273
Mar.	2,536	1,272
Apr.	4,722	2,907
4 mos.	9,976	6,402

• • •

Can We Double the Pace Of New Housing Starts?

Mr. Howe this week was still talking 80,000 houses.

"It is the intention of the Government," he told Oshawa Chamber of Commerce, "to erect another 80,000 houses in Canada this year, and 100,000 a year for the following three or four years."

Undoubtedly speaking in terms of completions—that's the only true measure of housing production—Mr. Howe apparently is ready to bet the nation can double its rate of new starts in the next few weeks; apparently places a good deal of confidence in Wartime Housing's expansion plans and the new legislative incentives, tax concessions and priorities to expand private building.

But to many an observer, continued waving of the old target looked reckless. Starts to May 31 hadn't much exceeded, if they had reached 11,000. Most of 1946's 42,000 unfinished houses still largely occupied the nation's builders. Canada would have to launch 20,000 or 25,000 more in the next three months, or an average 7,000 or 8,000 a month, if forecasts of government planners were to be vindicated. And that would be more than double last year's summer average, more than triple the current average.

With a general election in 1948 widely predicted, Mr. Howe may get carte blanche to do more—with money, supply priorities and any other aids Mr. King's housing men can think up—to really produce those 80,000 houses via any and every means and agency at the Government's disposal.

The housing act amendments and the present Ottawa mood at any rate may be expected to sharply expand the "integrated" and Wartime Housing programs, the one to keep up ownership building and the other, rental building despite recent buyer resistance and curtailment of operations by the insurance companies' direct building operation, Housing Enterprises of Canada. (The Post, May 17.)

• • •

Buyers Now Call Tune In Equipment Market

Construction equipment buyers are calling the tune, not sellers, Editor Morton Hunter of Construction Equipment News, Chicago, told the recent Niagara Falls annual meeting of Canadian Association of Equipment Distributors. He advised members to "re-establish economical business practices; put more into service."

Manufacturers reaffirmed prewar policy of marketing through qualified dealers instead of encouraging direct-to-buyer sales.

President V. J. Sheridan and Secretary E. C. Neville, Toronto, will visit seven Canadian branches and help organize an eighth at Halifax.

• • •

Full Priority for Vet On Housing Materials

"Veterans have full priority rating in obtaining cement, nails and other materials for house building," Reconstruction Minister Howe answered an Ontario (Peterborough) member in the Commons the other day. "Cement is not in as short supply as formerly, and if veterans will apply to Priorities Controller W. E. Uren, assistance will be forthcoming. Today the veteran has full priority in house building. The requirement that his house be 50% or 75% completed has been eliminated."

• • •

Community Planning Bug Biting More Canadians

Is your group taking a new interest in community planning? Maybe it would like to know how other Canadians look at their own communities, and what they hope to see when they look later. If so, the lists of planning books, films, pamphlets and display material in the current issue of Layout for Living will be informative. Layout for Living is published by the eight-months-old Community Planning Association of Canada, 6 Lyon Street, Ottawa, R. E. G. Davis, president; Allan H. Armstrong, secretary-treasurer. It goes regularly to active members paying a $3 annual fee and sustaining members paying $25 a year.

Membership in the new organization (successor to the Town Planning Institute, and aiming at wide popular participation by laymen and women) is inching up toward the 100 mark. On a recent count it stood at 67 active and four sustaining members, with gain in the last five weeks far surpassing growth of five months before.

"Municipal officials and women will demonstrate Canadians at last are becoming 'planning conscious,'" say CPAC officials, referring to expected attendance at the coming (Oct. 2-4) national community planning conference at Montreal. "We expect several hundred, representing community groups, parent-teacher associations, municipalities, women's groups, etc." The conference will discuss planning of sites, neighborhoods, towns, cities and regions, probably will get a look at Jacques Greber's preliminary plan for development of Ottawa and district as a national war memorial.

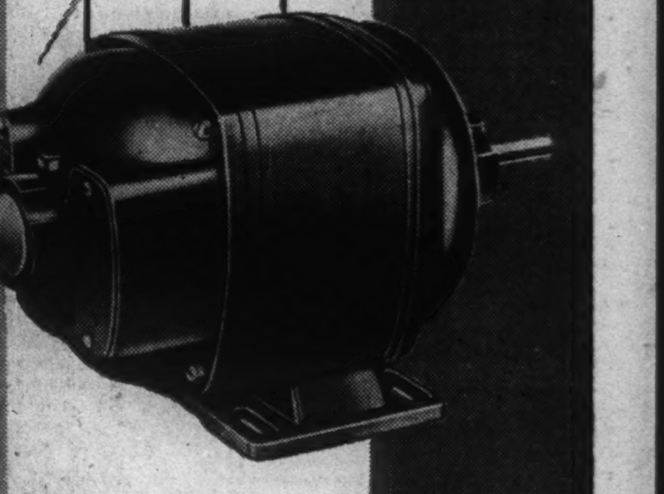
• • •

"Challenge of Housing," National Film Board 10-minute documentary in the Canada Carries On series, recently appeared in a dozen major theatres across the country. After six months of commercial showings it, as in the case of other NFB shorts, will be available for nontheatrical booking. By then probably two million Canadians will have seen its views of slums and slum demolition in other countries, graphic presentation of the rental subsidy and rent reduction fund ideas, large-scale housing projects outside Canada.

G. BERTRAND

has been appointed vice-president of Johnson & Johnson Ltd.

IN THE FIELD OF ELECTRIC MOTOR MANUFACTURING *look to* LELAND



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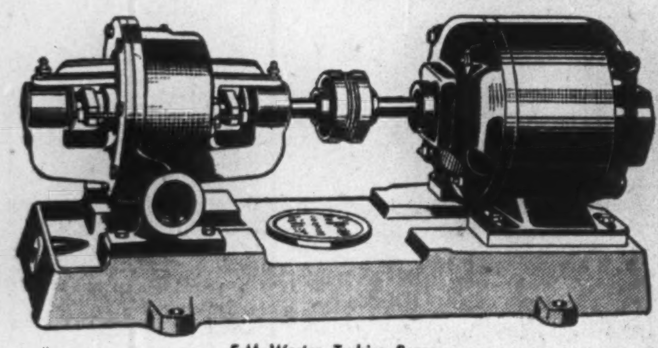
CREATIVE ELECTRICAL ENGINEERING

B3

CONSOLIDATED CENTRAL CADILLAC MINES advises that hole Ug 672, drilled south from 750-ft. level main crosscut, intersected 9.8 ft. of ore running $55.86 (uncut), or $20 (cut), and 5.7 ft. ore grading $12.08. Channel sampling of 4-2C4 stope gave $11.48 across 4.8 ft. and eight channels in 3-1C9 stope averaged $5.77 across 4.7 ft. Muck samples taken from 6W east drift in the past two weeks averaged $6.40.

See

FAIRBANKS-MORSE



F-M Westco Turbine Pump

first for PUMPS

Designed for medium and high head service, this F-M Westco Turbine Pump has varied applications including condensation return, elevator service, booster service and filter service. Reliable and sturdily constructed, this unit is made in self-priming and non self-priming types.

Designed for capacities up to 200 GPM, heads to 350 feet or 600 feet in tandem (2-stage) construction. A full range of F-M Westco Industrial Pumps is available for a wide variety of direct service applications. Call our nearest office for details.

The CANADIAN **Fairbanks-Morse** COMPANY *Limited*

The Departmental Store For Industry

FIFTEEN BRANCHES FROM COAST TO COAST

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

POWELL ROUYN GOLD MINES revenue dropped more than $200,000 to $290,768 in year ended March 31, 1947, as a result of closure of the Noranda smelter for several weeks due to strike action. Concentration of labor on underground development, however, added some 200,000 tons to ore reserves, with the further possibility of additional tonnage available to the north on 2,300, 2,450 and 950 levels.

There are also 299,912 tons of high silica, but relatively low gold content material, excluded from reserves, which under more favorable conditions might be considered as ore. Surface diamond drilling uncovered the northwest vein on the 950 level. The main vein has not yet been intersected in this area.

INCOME ACCOUNT

Years Ended Mar. 31:	1947	1946
Ore shipments	$290,768	$496,915
Less: Mkt. exp.	7,075	76,086
Mining	183,052	209,873
Dev. & explor.	120,100	80,302
Mine managem't.	24,510	18,158
Misc. exp.	66,775	54,836
Oper. loss	110,744	*57,660
Less: Misc. recpts.	17,532	11,520
Add: Deprec.	90,054	101,794
Pre-prod. exp.	25,474	25,473
Outside expl.	785	......
Loss on invest.	......	32
Net loss & def.	209,525	58,119
*Profit.		
Earnings per Share	d$0.17	d$0.05
None paid.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1947	1946
Cash & bullion	$215,616	$138,508
Dom. of Can. bds.	100,000	250,000
Accts. rec.	24,924	44,324
Stores at cost	54,026	63,322
Total curr. assets	394,566	496,154
Prep. chgs.	8,856	9,295
Craibbe-Fletcher shs.	54,500	50,000
Def. develop.†	52,125	114,831
Mining props.	645,075	645,075
Plant & equip.▲	240,248	291,855
Total assets	1,395,370	1,607,210
Total curr. liab.	25,832	28,147
Capital stock	1,162,049	1,162,049
Surplus	207,489	417,014
†After w/o	636,153	573,447
▲After depr. of	638,646	586,631
Working capital	368,734	468,007

OPERATING STATISTICS

	1947	1946
Tons milled	74,329	93,926
Average recov.	$3.91	$5.29
Ore reserves, tons	541,004	346,637
Grade ($35 gold)	$4.53	$4.87

To Owners of BUSINESS and RESIDENTIAL PROPERTY IN TORONTO...

Whether you own business, industrial or residential property in Toronto, our BUILDING MANAGEMENT department provides a complete service in the leasing, collection of rents and in building maintenance.

Out-of-town owners of property in Toronto will find our service particularly helpful and convenient.

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Why a Barrett SPECIFICATION* Roof?

A Leading Canadian Architect Says . .

This is one of a series of advertisements illustrating the links in the Barrett chain of roof satisfaction.

"I RECOMMEND the roof that has a reputation for giving consistently dependable service . . . a reputation backed by actual building records. I recommend a Barrett Specification* roof."

An enviable reputation . . . and it's founded on fact. The first bonded built-up roof in Canada was a Barrett Specification roof. 29 years after application that roof was still in excellent condition. Not one cent had been spent for maintenance or repairs. And from every province, documented histories of other Specification roofs tell the same story of sound service long after the expiration of their bonds . . . no maintenance or repairs necessary.

93 years of progressive roofing experience have given Barrett the "know-how" to provide this consistent dependability. Specifications have been proved reliable. Materials are made only by Barrett in company-owned plants, assuring standard quality. Approved Roofers have been trained to respect Barrett standards. Barrett Bonds cover the Specification roofs.

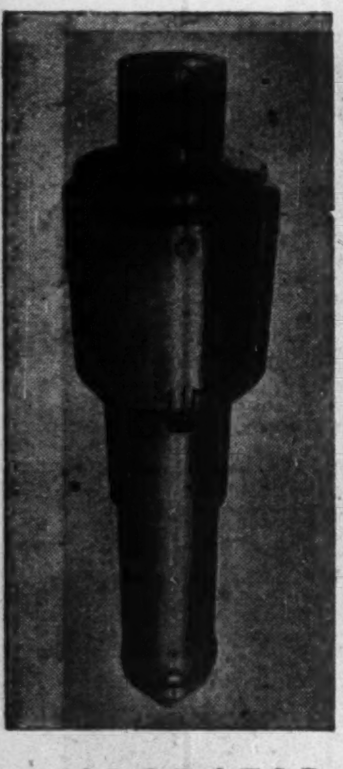
Convincing reasons why leading architects, as well as owners, general contractors and approved roofers agree "there is no equal to a Barrett Specification roof".

Barrett* Specification* Roofs

QUALITY PRODUCTS · Barrett APPROVED ROOFER · SKILL · INTEGRITY

THE BARRETT COMPANY, LIMITED
Montreal • Toronto • Winnipeg • Vancouver

*Reg'd. trade mark



EVAPORATOR

One unit of a Swenson Sextuple Effect Evaporator built by Toronto Iron Works and installed at the new Red Rock, Ontario, mill of the Brampton Pulp and Paper Company. Evaporator Length 32' 0"; maximum diameter 10' 0"; heating element contains over 300-2" O.D. stainless steel tubes.

Specializing in light and heavy steel plate work, plus dependable workmanship and careful attention to detail have earned for T.I.W. leadership in the field of steel plate construction.

THE TORONTO IRON WORKS LIMITED

DESIGNERS, FABRICATORS, ERECTORS

TORONTO MONTREAL

CIUC Issues New Policy For Household Property

A new "Householder's" insurance policy has just been announced by the Canadian Inland Underwriters Conference.

It is designed to meet the demands of householders who don't want to pay the increased personal property floater premium rates. Accordingly the protection is limited compared with the PPF but the rates are also substantially lower.

Whereas under the revised PPF form, the minimum premium one can pay is $50, under the householder's policy the minimum premium is $26 in Toronto for a Class I residence in a protected area, and in Montreal $36, in both areas the minimum premium being that produced by $2,000 insurance.

The protection given by the Householder's policy includes mainly fire, the perils usually insured under the supplemental contract (smoke damage, water escape, explosion, windstorm and hail, riot, impact by vehicles or aircraft), robbery or burglary with violence and tourist baggage hazards. It does not include mysterious disappearance nor various other perils such as theft and breakage insured under the PPF.

There are certain options given. For example 10% of the insurance or $500, whichever is the less, may be applied to losses on property temporarily removed from the principal residence including theft; also 10% of the insurance may be applied to property of non-paying guests or domestic servants and to additional living expenses over and above the rental value of the principal residence unfurnished, when it is rendered uninhabitable by any of the insured perils, during a reasonable time. The total amount of insurance may be applied to cover loss of a safety deposit box in a bank vault in Canada or Newfoundland. Indemnity for jewelry watches furs, is limited to $500 and for loss of money, securities, liquor, etc., to $50. For books, tools, instruments and any equipment pertaining to any business profession or trade, indemnity is payable only on things within the principal residence mentioned in the policy.

Property generally situated in a seasonal residence must be insured under another contract for which the minimum premium is $25.

The new policy thus combines both fire insurance and burglary insurance for which previously some people took out two separate policies. Burglary insurance under the Householder's contract covers property in the main or seasonal residence or when checked at a hotel, boarding house or in custody of any carrier.

H.T.Hunter Gives Report To 900,000 Subscribers

(Continued from page 1)

and time-table schedules. Rail-passenger traffic.

During 1946 we carried out an Incentive Bonus Plan for empenditures proportionate to any drop that may occur in freight or ways cannot reduce their exployees in the Production Department. We compiled the figures for eight previous years showing the percentage of expenditure of direct wages in Production Department to total advertising revenue for our publications. This percentage varied from about 12% to 16%. We undertook to share equally with the men in Production Department any savings that would result from lowering the percentage below the 16% which had been the maximum figure and which was considerably higher than the figure that was taken at the time the Incentive Bonus was inaugurated.

We are glad to say that the results of the first year were very satisfactory and we were able to pay to each employee in the Production Department a bonus amounting to more than one month's extra pay.

New Plant

We expect to break ground on construction of our new plant on North Yonge Street in June and we hope that before the next annual meeting the erection of the building will be well advanced toward completion.

The plant will cover a large area of ground and will have 200,000 sq. ft. of floor space. Plant and equipment will cost about three million dollars but the new equipment and straight line of production should give us better quality of work, better conditions and surroundings for our employees and their families and, we hope, reasonable costs. We aim to make this the most up-to-date and best-equipped printing plant in Canada.

Pension

Forty-six members of our staff became eligible and joined our Pension Plan. This brings the total number to 260.

The Pension Plan was inaugurated in Dec., 1940, and at the end of 1946 the company had contributed to the plan $474,642.

I hope very shortly to be able to make an announcement regarding a further extension of the benefits that will accrue to members of our organization participating in our pension plan.

We have inaugurated the five-day week for Production Department, and commencing May 1 extended this to office staff for at least the summer months.

We endeavor to give the greatest degree of security possible for our staff in all departments. Steady all-year employment is, of course, a first consideration. We have also provided Group Life Insurance, Sickness and Hospitalization Insurance, vacations with pay (one to three weeks according to length of service), staff nurse available for consultation and advice.

Paper Shortage

The natural increase in circulation of a number of our publications, but most especially of our magazines, has been greatly curtailed and restricted through shortage of paper.

We have had a backlog of orders amounting at times to 30,000 or more on Maclean's and Chatelaine.

We hope this stiuation will improve within the next few months.

An ample supply of paper at a price comparable with that paid by U. S. publishers is not only a matter of importance to our Company, but to all the people of Canada.

National Publications

All our publications are national in scope. They circulate in every province of the Dominion. They tend to prevent sectionalism. Their interests are as wide as those of Canada itself. They centre attention on broad, national policies. They develop a pride in the accomplishment of Canadians and help to eliminate any inferiority complex which might tend to develop in a country of 12 million inhabitants living alongside a neighboring nation of 140 million people.

We are not opposed to foreign magazines and periodicals circulating freely in Canada but we must have strong, well-edited Canadian publications which will build up pride and confidence in our own country. There is no other medium equipped to do this job as effectively as national magazines and business newspapers.

Editorial Services

Accurate and reliable news and comment is the lifeblood of all our publications.

During 1946 we spent just about an even million dollars on editorial work for our various publications. We have budgeted for increased expenditures during 1947.

Each one of our 35 publications has a definite and specific field to cover. Each publication has its own staff of editors who are not only trained writers, but have authoritative knowledge of the field the publication covers. In addition to this, our Editorial Director and his staff follow closely questions of broad, national significance.

The real measure of the success of this business lies in the value of the editorial services we are able to render to subscribers.

The benefit to our advertisers is dependent very largely on the regard and interest of our subscribers in editorial pages.

Our editors travel many thousands of miles in Canada and U. S. A. each year. It has also been our custom to send to Europe senior members of our staff to secure, at first hand, news and background information that would be of interest and value to our readers and advertisers.

In 1946 three members of our staff made important and valuable trips to Great Britain and the Continent. Our Executive Vice-President, Mr. Chalmers, spent two months in Great Britain and on the Continent. Blair Fraser, Ottawa Editor of Maclean's, went to the Paris Peace Conference, then to Italy and back through Austria and France. Ron Keith, editor, Canadian Aviation, went to England to get at first hand information on developments that were taking place in the production of airplanes and plans for commercial air services. (Incidentally, today he is on his way to Peru.)

Government spending and taxes must be reduced. The wealth and income of the people depend on volume of production. We must encourage, by lower taxes, workmen, employees and investors to increase production. We cannot divide or distribute that which is not produced and therefore does not exist.

The general business outlook for the next 12 months is uncertain. Steadily mounting wages and prices, with decreased production per hour, are bound to bring, sooner or later, a sharp readjustment.

Our faith in the future of Canada and our confidence in the loyalty, ability and good will of our staff are demonstrated by the orders we have placed for new equipment and the new building we are erecting to house it.

Sixty years of experience have taught us to be prudent, but, we hope, not to be lacking in courage.

We owe it to our staff to give them every opportunity for reasonable expansion and development. We have an obligation to our subscribers and advertisers and to the Canadian people as a whole to give the best possible service of which we are capable. We have a position of leadership to maintain. Our responsibility is as great as our power.

Therefore we are going to do everything we can in the operation of our own business and through our publications to assist in reaching an orderly and sound economy that will preserve for the people of Canada the highest possible standard of living.

DUM DUM MASONOC

the tough, rubbery coating that stays plastic *indefinitely.*

This elevator building was completely resurfaced by us last year, using Gunite to replace the defective concrete and Dum Dum Masonoc to seal off the destructive forces of weather.

The permanence of this treatment as compared to other methods of restoring such structures has been amply proven by experience of over 25 years. Half a million square feet of building surface has been coated by us in Canada already.

Dum Dum Masonoc is applied in a substantial thickness; bridges and fills cracks; expands and contracts with the building surface; heals its own surface whenever it becomes broken, and is acid resistant.

It is available in several decorative colours and will add to the attractiveness of any concrete or masonry structure.

Write or phone for additional information and our quotation for the complete job.

GUNITE AND WATERPROOFING LIMITED

Toronto MONTREAL Halifax

Incorporated 1931

Enquiries from Western Canada should be addressed to

THE ARCO CO.
CLEVELAND, OHIO, U.S.A.

AMERICAN YELLOWKNIFE GOLD MINES carried out a geomagnetic survey on group of claims in the Lightning River area, Ont. in 1946. Interesting geology and structure were indicated. Assessment work was done on several groups of claims held in the Indin Lake area, Yellowknife district, N.W.T. Current assets were $33,606 and liabilities $250 as at Feb. 28, 1947. [illegible] in other companies, carried at cost of $279,244, included [illegible] shares of Snare River Mines, 400,000 shares of Oro Yellowknife Gold Mines and 350,000 shares of Quyta Yellowknife Mines.

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Pilkington GLASS

Headquarters for every type of building glass

from coast to coast . . .

the DAILY NEWSPAPERS

DUG OUT *the facts* ABOUT CANADA

• • • •

NOW . . . *you* can plan sales and advertising with confidence, aggressiveness and certainty. NOW *you* can see the pattern of post-war Canada. NOW *you* can see the impact on our people of war-time shortages, new products, prices and wages.

Three years ago the daily newspapers of Canada realized quite clearly that the war years could have a tremendous effect on the habits of all classes of the Canadian people. The newspapers saw that post-war planning would be faulty, full of guesswork, and wasteful of effort, unless an overall look was taken at the changed Canada.

This look was taken a few short months ago and it was no mere glance. It was a penetrating gaze into the homes, the lives, the aspirations and the habits of all our people. What the newspapers saw was plenty . . . more than enough to guide and direct sales and advertising plans into right channels during 1947 and later.

Up to now, sales and advertising managers have been working in the dark. They have been trying to guess at shifts in population, brand preferences, shopping habits and pent-up demand. They can see light now . . . *they can get the truth about post-war Canada from the Canadian Daily Newspapers Association Consumer Survey . . . the biggest reporting job done by newspapers since the end of the war.*

Yes, it was a big task. It meant using the good-will and the influence of daily newspapers right across the country to get thousands upon thousands of families to each sit down and reveal over two hundred facts about themselves. The number of families agreeing to do this set a new high record in Canadian survey work.

Just as daily newspapers recognize their duty to their communities and to their country, so do they recognize a duty to the industrial life of Canada. They have fulfilled that duty by reporting Canada as it is today for all who want to plan and work with vim and vigor for a prosperous and well-planned future.

Only the Daily Newspapers can see Canada as Canada is

The full story is in the
CANADIAN CONSUMER SURVEY OF 1947

Your advertising agency has a copy—if you wish one for yourself—order direct—the price is $5.00

Published by
The Canadian Daily Newspapers Association
36 Toronto St., Toronto 1
I. H. Macdonald, General Manager

Photo
York Knitting Mills Limited, Spinning Division

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. . . better morale

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Always set the pace in sports EQUIPMENT

Never in the history of sports have the symbols of Leadership meant so much as now. In the last few years more men have come to appreciate the value of what the symbols and trade marks represent in the world's outstanding sporting goods. These three symbols were on the greatest proportion of equipment used by Canada's service men and they are now ready to fit into peace-time progress.

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Brantford • Canada

Lower Quarter Earnings Point Up Rail Problems

MONTREAL (Staff) — Three months and 1.5 million words after they began to hear the application of Canadian railways for a 30% freight rate increase, the Board of Transport Commissioners switched their court this month. They turned to the Maritimes, where the first of their cross-country hearings on the rate enquiry opened last week at Saint John, N.B.

But with three months gone by, railways eyed declining net earnings and asked themselves: How long?

Net earnings of Canadian Pacific for the three months ended Mar. 31, 1947, showed a 70.18% drop from 1946. Canadian National showed a 25.7% drop in net revenues.

As railroad men have been insisting since last fall, constantly increasing costs are responsible for the decline in net earnings. Last year working expenses of CPR were 93% of gross earnings and 89.2% for CNR. If the 30% increase had been effective for the full year 1947, CPR estimates that the operating ratio would have been reduced to 87.75 and CN's estimate is 83.25. If no increase is allowed, the operating ratio of CPR will move up to 94.60 and of CNR to 96.06.

Just how much would the 30% freight boost mean in dollars and cents? According to briefs submitted before the Ottawa hearing, it would mean about $38.3 millions to CPR and approximately $49.3 millions to CNR. This represents the difference between what the companies estimated they would get without an increase and what they would get with one in 1947. But even with the increase, CPR estimates that its net earnings will no more than cover fixed charges and additions and betterments leaving nothing for dividends (on rail operations alone).

CNR counted on the increase to give a net of $60.5 millions which would cover rent for leased roads, interest on funded debt, plus additions and betterments.

Estimated Compafison

Here is the way estimated 1947 earnings and expenses line up for the two companies compared with 1946:

CNR (Can. Lines Only)*

	1946	1947 (1)	1947 (2)
	$ millions		
Gross earnings	351	397	348
Operating Exp.	316	337	337
Net earnings	35	60	11
Requirements	$57,745,000		

(1) Estimates including 30% increase applied for.
(2) Estimates excluding 30% increase. Both estimates include added revenue from the freight increase granted in United States.

* CNR estimates for the all-inclusive system are: Gross earnings—$402,160,000; operating expenses—$380,500,000; net earnings—$21,660,000.

CPR

	$ millions		
Gross earnings	292	323	285
Operating Exp.	271	283	270
Net earnings	21	40	15
Requirements:			
(not inc. div.)	$ 33,235,000		
(inc. div.)	54,545,000		

The above estimates are based on the increase effective for the full year. Since any increase granted is not retroactive these figures are useful chiefly to illustrate the present difficulties of the rails. They also point up another fact, i.e. that the railroads need more money to meet even minimum requirements.

Offset Higher Costs

From the above it will be seen that extra earnings resulting from the proposed increase will largely be used to offset increased costs. At the Ottawa hearings both companies submitted exhibits showing where the increased costs in 1947 would fall. Here is what they showed:

Estimated increase in costs 1947 over 1946:

	CNR	CPR
	$ thousands	
Rail renewals & bridge repairs	1,702	
Wages	9,030	6,549
Materials	9,761	7,579
Rolling stock maintenance	227	
Pensions	761	400
Advertising	104	
	$21,585	14,528
Less maintenance Reserve	10,000	•
	$11,585	

At present it appears that CPR is not planning to use its $25 millions maintenance reserve. CPR President W. M. Neil at the annual shareholders meeting stated that the fund would be used strictly for the purpose for which it was intended, i.e. to catch up on maintenance deferred during the war. Last year, Mr. Neal stated, with cost rising and earnings falling it was deemed advisable not to start drawing on this reserve. CNR last year used up $13.5 millions of its maintenance reserve of $46.5 millions and from the above will take out another $10 millions this year.

All the talk about increased costs and lower earnings, however, is only one phase of the danger threatening the railroads.

President Neal mentioned another: "I cannot but report to you that action in the direction of vigorously modernizing your railway properties awaits a restoration of the proper balance between revenues and expenses."

And again: "It is obvious . . . that a strict conservation of existing cash resources is imperative."

Plan Some Improvements

Already passenger traffic has declined (about 20% in 1946) and it is conceded that railroads will be hard pressed to hold their passenger traffic against automobiles, buses and planes.

Both CNR and CPR, however, are planning to peel a few millions from the bank roll for modernization and improvements. CPR this year voted capital appropriations of $30.4 millions to improve everything from freight sheds to locomotives. A little more than $25 millions of this is earmarked for 13 Diesels, 3,345 freight cars and 26 passenger cars.

CNR is planning to spend $46.7 millions on locomotives, boxcars, etc.; however, it is budgeting for a $31 million deficit.

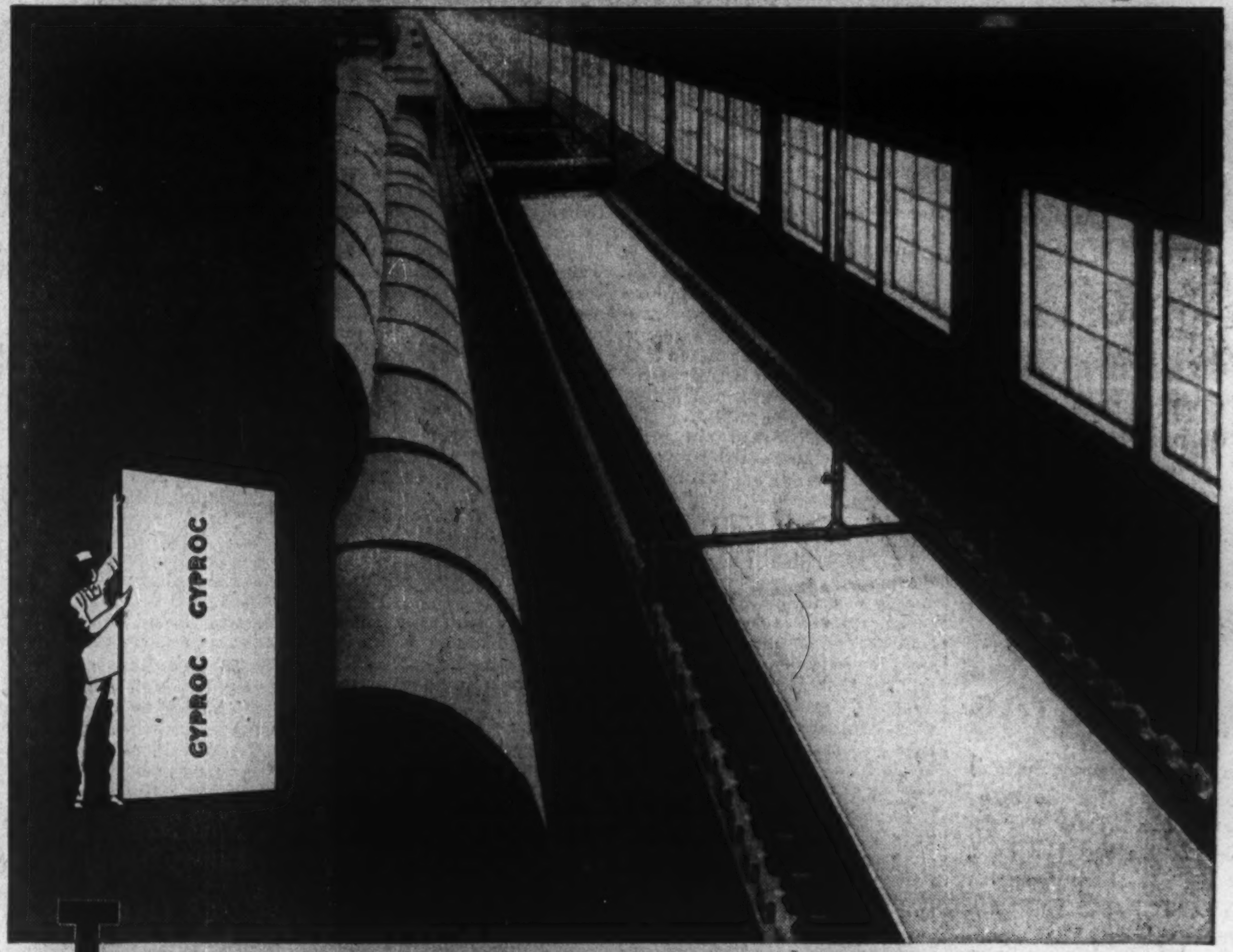
This kind of spending, however, could not go on for long unless earnings show an improvement. CNR might possibly call on Canadian taxpayers for its capital requirements but CPR has only two sources: (a) its credit in the money market; (b) own cash resources. With rail earnings down, CPR might have difficulty getting new money at reasonable cost. As far as its own cash resources are concerned, it is pointed out that even mighty CPR can scrape bottom (working capital at Dec. 31, 1946, $91 millions).

Grain Not Affected

The biggest single item of freight, wheat, would be unaffected by the rate increase since western wheat is covered by the Crow's Nest Pass Agreement. Also the railroads could scarcely boost passenger fares without driving still more passengers away.

On the other side of the picture, however, seven provinces have fought the proposed freight increase tooth and nail. They claim an across-the-board increase will put all provinces, except Ontario and Quebec, at distinct trading disadvantages. Now the provinces have persuaded the Board of Transport Commissioners to travel across the country to hear the same story from shippers.

While most persons concede that the question of freight rates is wrapped tight with political considerations, some observers wonder if a financially solvent railway system should not get first consideration. Some members of the Board of Transport Commissioners apparently think so, since they opposed the move to have the Board go on its freight "pilgrimage."



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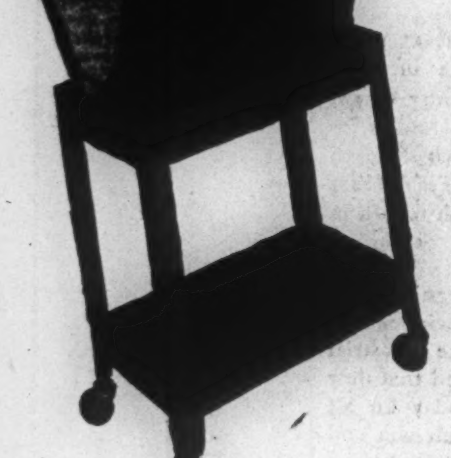

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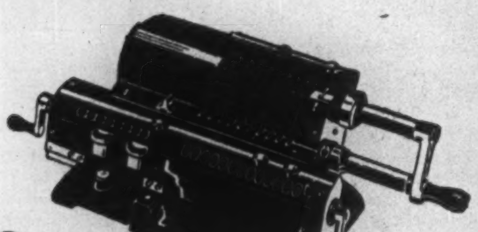
Here's the ORIGINAL answer to demands for a low-priced rapid calculator*



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Easy to operate . . . fast and accurate . . . low in price . . . entirely portable . . . that's the Original Odhner! A *precision-built* calculator produced by skilled engineers with years of experience in manufacturing accounting machinery. Has dozens of auxiliary uses, *plus* an exclusive feature that speeds calculation when series of multiplications and divisions are involved.

Hundreds of satisfied users in Canada testify that the Original Odhner gives years of dependable service.

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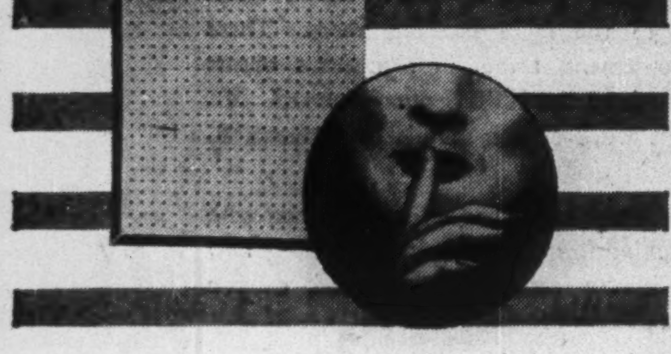

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Oil Stocks Lead Market With Sales Still Rising

Two developments have attracted the interest of investors to oil company stocks in recent weeks, with the result that in a market in which stocks generally were up only 4.5%, oil company stocks were selling 5.9% higher last week than at the beginning of the year.

The developments were:

(1) The increasing realization that companies were having difficulty in meeting all demands, which was particularly marked by the shortage of fuel oils.

(2) The new crude oil discovery at Leduc, Alta., made by Imperial Oil.

These factors, together with the increased volume of business and earnings revealed by the companies' 1946 annual reports, have stimulated investors' interest, so that the price action of oil companies' stocks shows up better in the market than other groups this year.

Still Going Up

Sales of the larger oil companies, along with other businesses, were greatly expanded during the war years. Although a period of readjustment was generally expected in the immediate postwar period, which would reduce sales, this did not occur. In 1946 the oil companies experienced a record business and are looking for higher demand to continue.

Net production of saleable products of Canadian refineries totalled 66,752,345 bbls. for 1946 — 11.5% higher than the comparable 1945 figure of 59,883,799 bbls.

This immediately raised the problem of adequate refinery capacity to meet the expanded and growing demand. Imperial Oil Ltd., and British American Oil Co., have announced large refinery expansion programs. As these programs require the expenditure of large sums, investors are not looking for any great immediate increase in dividends.

Accentuating the need for new refinery capacity was the unprecedented boom in domestic oil furnace installations and the trend toward higher octane gasoline Refinery methods have been geared to the biggest and most profitable market — gasoline. But fuel oil is now vying as a product, instead of a by-product.

Oils, or Gasoline?

Oil refining companies are now facing a problem. Increasing crude oil prices and keen competition will force refiners to extract a higher percentage of gasoline, of a higher octane rating, from the gallon of crude, than pre-war. Yet this can only be done by sacrificing the light to heavy fuel oils (gas oil fractions), the only source for the extra gasoline.

During 1946 crude oil prices were raised 45 cents a barrel — in three steps for imported crude, on Jan. 1, 1946, for Turner Valley crude. A further advance of 25 cents a barrel has occurred this year. Last year the increased volume of business aided the companies in offsetting the increased costs — crude, wage and other. The removal of price control this year will assist companies in "establishing a proper balance" with costs. Gasoline and fuel oil prices have already been increased.

Imperial Oil's discovery at Leduc, suggesting the possibility of a new big crude field (see story page ??), has added to the interest in the oil stock group, particularly the stocks of the western oil companies which have been actively traded. While at present Imperial would appear to be the chief benefactor among the larger companies, investors are watching McColl-Frontenac Oil, which has large acreage holdings adjacent to this area.

The Toronto Stock Exchange index of 15 Western oil stocks was 9.7% higher last week than at the start of the year.

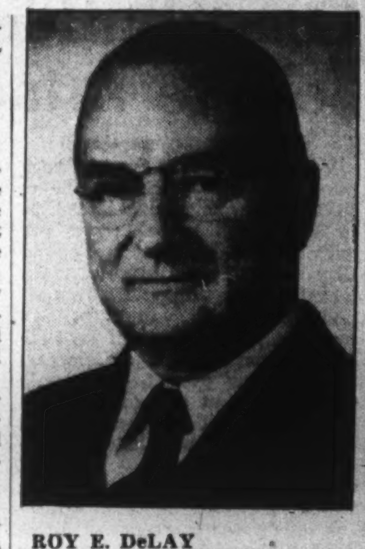
The recent price, 1945 and 1946 earnings per share and yield of the six larger oil companies, are shown in the accompanying table. (Supertest Petroleum is a distributing company only; International Petroleum is mainly a producing and refining company Canadian Oil Companies is a refining and distributing company, the other three are engaged in producing, refining and distributing).

The stocks of two companies—McColl-Frontenac Oil and Supertest Petroleum — are selling higher than at May 30, 1946, the date when the market generally was at its high. Imperial Oil common is at the same level as a year ago.

All but one of the six stocks—Canadian Oil Companies—is selling to yield less than 4.00%. It and two others — McColl-Frontenac and Supertest — are selling under 10 times 1946 earnings. These three stocks are said less popular as trading stocks than the stocks of the other three companies although McColl-Frontenac is gaining in popularity, and is regarded as a growth stock.

	Price May 30/46	Price Recent	Earned 1946	Earned 1945	Times '46 Earn.	Div'd	Yield
	$	$	$	$		$	%
B. A. Oil	28	25¼	1.20	1.14	21.0	1.00	3.96
Can. Oil Cos.	16	15½	1.59	0.81‡	9.7	0.80	5.16
Imperial Oil	14½	14½	0.64	0.62	22.6	0.50	3.45
Inter. Petr.	18½	13¾	0.57	0.97	24.1	0.50	3.64
McColl-Front.	25	27	3.18	1.62‡	8.5	1.00*	3.70
Supertest	46	30¼	6.47	4.10	7.8	2.00*	3.98

*Paid in 1946. ‡Ind. refundable EPT.



ROY E. DeLAY

has been elected Vice-president and Managing Director of the Federal Electric Manufacturing Co., Montreal.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERNATIONAL HOLDINGS LTD. 1946 net profit was up 3.8%. Total revenue of $581,353, of which 86% was received from dollar sources and 14% from sterling and other sources, compares with $553,054 in 1945. The investment reserve has been credited during the year with $12,479 representing net profits on realization of investments (after deducting exchange losses) thus increasing the balance at the credit of the account at year end to $1,664,265. The balance included a reserve of $671,098 transferred rom distributable surplus in 1940 to provide in full against possible loss on investments in Belgium and other territory than enemy occupied. During the year, certain French Government bonds included in these investments and carried on the books at a cost of $102,293, were sold at a profit and it was possible to convert the proceeds into U. S. dollars. This reduces the book value of investments in territory formerly enemy-occupied to $568,805, against which the reserve of $671,098 is still carried. At year-end the company's investments were shown on the books at $14,208,933 less investment reserve of $1,664,265. On the basis of market quotations at Dec. 31, 1946, shares had a break-up value of $16.17 ($17.67 at close of 1945).

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Divds. & int.	$656,335	$618,789
Add: Bank int., etc.	325	40
Less: Taxes & chgs.	75,307	65,776
Other exps.	51,908	42,863
Net profit	529,445	510,196
Less: Divds. pd.	488,261	488,261
Surplus for year	41,184	21,929
Earnings per Share and Dividend Record:		
Common: Earned	$0.54	$0.522
Paid	0.50	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$504,050	$505,403
Divds. & int. rec.	13,051	4,201
Secs. called for red.	5,050	80,850
Investments*	14,208,934	14,049,070
Total assets	14,731,085	14,639,524
Sundry creditors	17,282	10,084
Reserves	1,815,643	1,772,463
Capital stock	10,253,481	10,253,481
Distrib. surplus	1,867,859	1,867,859
Earned surplus	776,820	735,637
*Market value	15,282,695	16,676,763

COCHRANE-DUNLOP HARDWARE net profit for the year ended Feb. 28, 1947, was up 184%. There was a substantial increase in sales from the previous year. A portion of the increased net profit for the year resulted from inventory profits made in a rising price market. To offset possible reversal in this regard, a $125,000 reserve for possible future decline in inventory values has been created from surplus.

INCOME ACCOUNT

Years Ended Feb. 28:	1947	1946
Net earnings	$702,002	$277,423
Less: Deprec.	37,235	23,456
Deb. int.	2,786	......
Refin., exp.	31,202	......
Misc. chgs., net	10,923	......
Income tax‡	341,754	156,176
Net profit*	278,172	97,791
Less: Pref. divd.	5,400	......
Cl. A divd.	10,674	......
Surplus for year	262,098	97,791
‡Incl. ref. EPT	......	15,255

*Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share† and Dividend Record:		
Pref.: Earned:		
Excl. ref. EPT	$15.45	$5.43
Incl. ref. EPT	15.45	6.28
Paid	0.30	....
Class A: Earned:		
Excl. ref. EPT	4.81	1.43
Incl. ref. EPT	4.81	1.72
Paid	0.20	....
Common: Earned:		
Excl. ref. EPT	2.00	0.31
Incl. ref. EPT	2.00	0.46
None paid.		

†Based on present capitalization.

CONDENSED BALANCE SHEET

As at:	Feb. 28 1947	Aug. 31 1946
Cash & Dom. bds.	$126,137	$37,259
Accts. rec.	731,089	786,183
Inventories	1,855,725	1,123,188
Total curr. assets	2,712,951	1,946,630
Misc. assets▲	85,662	84,596
Invests. & adv.	276,387	137,937
Fixed assets*	392,560	345,474
Total assets	3,467,560	2,514,637
Bk. ln. & overdraft	263,628	556,713
Accts., tax., etc., pay.	918,410	582,783
Debent. due	30,000	.....
Total curr. liabs.	1,212,038	1,139,496
Funded debt	270,000	......
Invent res.	125,000	......
Capital stock	983,700	533,700
Earned surplus▲	876,822	841,441
*After depr. of	392,413	375,030
▲Incl. ref. EPT	46,009	46,009
Working capital	1,500,913	807,134

CLICKER RED LAKE MINES has acquired an interest in the MacCallum-Moore property in the Red Lake area, Ont. Preliminary diamond drilling is reported to have encountered commercial values. Drilling on the original property failed to indicate commercial ore.

ÉDITION FINALE — LE PETIT JOURNAL — Au Service du Public — Le plus grand hebdomadaire français d'Amérique — 7¢

FIND WAY TO OPEN DOORS TO P.Q. MARKET

More than 1,400 national and local advertisers have discovered Le Petit Journal as the key to open the portals to the vast market of French-speaking Quebec, a market of eager purchasers averaging per family, 3.21 persons over the age of 10.

This market will spend more than a billion dollars in 1947, some 70 percent of it in the 27 key cities which form 85 percent of Le Petit Journal's circulation of 186,000 copies weekly.

Le Petit Journal is a paper bought at the newsstands and taken home for leisurely reading. It is written, edited and produced by French-speaking Canadians for their own people. It has complete family readership, an estimated audience of more than 600,000 persons.

In 1946 more than 1,400 advertisers found handsome returns for the more than a million lines of advertising invested in this tabloid family journal.

Join Le Petit Journal's advertisers today.

**Based on 1946 figures.*

LE PETIT JOURNAL

99.97% NEWS-STAND SALES

DUQUESNE MINING CO. test run of between 750 and 1,000 tons of ore in the Beattie mill is expected to start immediately. Ore for this test was from the 304 and 704 west stopes on the 375 and 750-ft. levels and does not include any material from high grade sections found in drifting and by drilling on the 500 and 625-ft. levels. Breast sampling of 034 west stope shows an average grade of $14.45 for a length of 102 ft. across an average width of 8.03 ft. Final results of breast sampling over 704 west drift shows an average grade of $16.73 for a length of 108 ft. over an average width of 8.7 ft.

Plymouth

PRICED WITH THE *LOWEST*
ECONOMICAL TO OPERATE!

THE NEW PLYMOUTH is the *greatest* Plymouth ever built by Chrysler—and still priced with the lowest! For the lowest-price three-passenger Coupe built in Canada today, check Plymouth:

But LOW PRICE is not the only outstanding feature: The beautiful new Plymouth also gives you Long Life and Low Upkeep Costs!

Precision manufacturing; super-finished crankshaft and camshaft bearings; full-pressure lubrication; full-length water jackets and other famous Chrysler Engineering Advancements make Plymouth an economical car to own and operate.

Plymouth Retail Delivered Prices in Windsor Begin at— $1114.90
Dom. Gov't. Taxes (Sales and Excise) $156.38
TOTAL $1271.28
For the Plymouth DeLuxe Coupe
Transportation, License and Local taxes, if any, only extras.
PLYMOUTH

LOOK AT THESE GREAT FEATURES OF THE NEW PLYMOUTH Safety-Rim Wheels to reduce tire-failure hazards • Safety All-Steel Body • Easy, Shock-Proof Steering • Safety-Styled Concealed Running Boards • New Safety-Signal Speedometer • Safe-Vision Windshield • New Front-end Sway Eliminator • PLUS: Patented Floating Power Engine Mountings • New Quieter Starter with handy button on dash • Hotchkiss Drive • New Body Guard Bumper • New Lightweight Aluminum Pistons • New Rustproofing • Scientifically Balanced Ride.

ENGINEERED AND BUILT BY CHRYSLER

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Fire and Tire Unit

Small cylinder containing 10 pounds of carbon dioxide under pressure—enough to put out an oil or gas fire, or inflate three average size tires—has been developed by Ford Motor Co. Exhausted cylinders can be exchanged for loaded ones.

• • •

Window Lock

Just shut the window and it's automatically locked. To open again, pull the release forward. "Protecto" is claimed by New York maker to be first example of principle of self-locking door as applied to double-hung window.

• • •

Rapid Camera

One-millionth of a second is speed of new General Electric camera, but lens fans needn't get interested. GE's camera is for rapid testing—by means of electric power surges—of apparatus used in the generation and transmission of electricity. Camera projects 10-fold enlargement within 30 seconds.

• • •

Noiseless Phoning

Pulse Code Modulation is name given by Bell Telephone engineers to new technique which promises freedom from noise and interference in long distance telephoning. Voice is transmitted by various patterns of electric signals. Each pattern conveys certain information about voice. Succession of patterns permits reconstruction of conversation. Bell engineers believe it possible to build a PCM system on which 100 telephone conversations could be carried at one time.

• • •

Folding Wardrobe Bag

Place your clothes full-length in new Canadian-made wardrobe bag. Fold it into attractive luggage for car, boat, or train travel. On arrival at destination, release bag to full length, clothes scarcely creased. Pockets are provided for shoes, books, papers, and camera within easy reach.

• • •

Removable Auto Panel

Automotive repairman no longer has to be a contortionist to get at instrument wiring and fuse blocks behind the dashboard panel of the new White trucks. By removing five bolts, panel tilts and exposes wires and fuses; also provides easy access to heating and air-conditioning system back of panel.

• • •

Big Load

Forty tons is capacity of rear-dump truck now in experimental stage in United States. Gross weight of truck with capacity payload is approximately 80 tons; powered by 12-cylinder Diesel engine of 550 h.p.

• • •

Safe Water

Construction crews and other groups traveling away from approved public water supplies can obtain safe water anywhere through "Mini-Filter," five-pound version of a municipal filter plant. Device includes pump and filter, together with purifying kit (Aqua-Tabs).

• • •

Freight Handling

Nailable steel flooring on railway cars is said to be equivalent of adding new rolling stock, since it eliminates many time-consuming switching and assembling operations usually required to supply cars with floors suitable for commodity to be carried. Because much freight must be blocked in place, many floors of freight cars, trucks, and trailers must be nailable—a feature heretofore obtainable only in wood. New floor, developed in United States, consists of channels of low-alloy high grade steel, between which ordinary nails can be driven.

• • •

Rubber Plastic

Protection for variety of articles along production line is promised by "Rubba-Coat," non-inflammable liquid rubber plastic which can be applied by brush, spray gun, or dip method, and removed by peeling. Highly polished metal parts protected by this coating can be handled and abused by an entire production line; yet, when coating is peeled off in the shipping room, the metal shows its original lustre. Can also be applied to painted wood sub-assemblies to protect paint finish as completed product takes shape.

• • •

Farmer's Welder

Many uses are foreseen for new lightweight welder, operating on direct current for use on materials up to half-inch thickness. Produced in United States, unit can be mounted on tractor in two minutes, can be used as stand-by charger for batteries up to 32 volts, and will run any 32-volt powered electric tool.

• • •

Mothkiller

Virtues of DDT and Gammexane are combined in British product said to be one of most effective mothkillers ever produced. Claims put forward at British Industries Fair are: product leaves no stain, reaches the most inaccessible crevices, is effective on moths in all stages —from larvae to adult.

• • •

Photochemical Lamp

Tasty new foods and new plastics are foreseen by Westinghouse Lamp Division experts as possible results of the production of a 55-inch long tube which emits invisible ultra-violet and visible light radiations. Both radiations serve as catalysts, or "matchmakers," in bringing chemicals together quickly to form a new product. New lamp is said to be highest powered and most economical ever developed by Westinghouse for photochemical use.

• • •

Electric Iron

Automatic electric iron which weighs only three-and-a-half pounds and has ironing surface of 28.4 square inches is introduced by Chicago manufacturer. Iron point and sides are bevelled, and wrinkle-proof corners rounded for better performance on pleated or fancy garments.

• • •

Lamp Guard

New guard supports ends of 40 and 100 watt fluorescent lamps and prevents their falling out of holders; said by U. S. maker to be easily installed and of particular value in industrial plants where vibration is present.

Coast Builders, Labor Join to Attack Costs

From Our Own Correspondent

VANCOUVER — An ordinary bungalow here costing $4,500 to $5,000 pre-war, now costs $8,000 to $9,000 and home buyers are quitting the market in droves. City building permits for four months cover only 973 houses and apartments valued at $4.4 millions, nearly 50% off on both counts from a year ago. Commercial building permits show only a 3% drop but city officials say $10 millions of contracts in that category have been shelved in recent months.

Calling on manufacturers to do their share in the factories, building management and labor joined to combat high costs originating on job sites. They set up a joint committee, 10 from Building Trades Council, (AFL unions) and 10 from Building & Construction Industries Exchange, (employing contractors).

"Cancellation of Housing Enterprises projects (The Financial Post, May 17) is just one, though a glaring example of costs gone crazy," said Exchange Secretary R. J. Lecky. "If an organization like that, backed by life insurance millions, finds it economically unsound to build, what are the chances for individuals? People just can't afford to build."

The new labor-management joint body—in ways yet to be worked out—will attempt, among other things, to bring individual worker and job efficiency "back to normal." It echoes recent statements of the Canadian Construction Association (The Financial Post, Construction Trends, May 3) that the cost rise is the industry's most threatening problem and that job efficiency is seriously in question. While the committee sees it has no control over many advancing material costs, it believes it can help "hold the line through co-operative effort."

LIGNERIS GOLDFIELDS cut the main zone in drill holes L-6 and L-7, which were completed at depths of 970 and 909 ft., respectively, in April. A narrow gold bearing zone was also cut, lying to the south of the main occurrence. Following values were cut in the main break from west to east; Hole L-7, $5.50 from 522 to 528 ft., $4.87 from 603 to 606 ft., $12.60 from 613 to 616 ft.; L-3, $11.30 from 457 to 477 ft. and $1.93 from 515 to 526 ft.; L-6, $3.50 from 476 to 477 ft.

Assays from the north zone, although incomplete, are reported promising.

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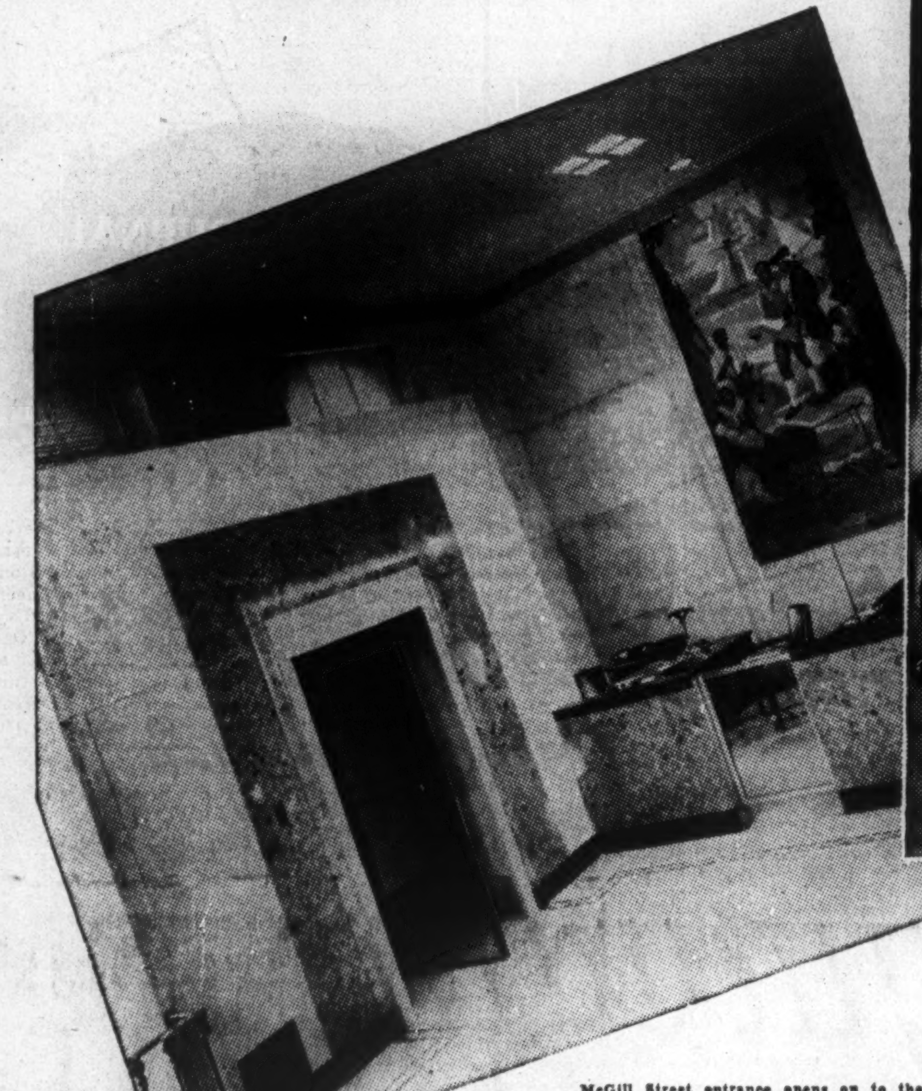


Distinguished Canadian artist, Adam Sherriff Scott, R.C.A., painted five colourfully striking murals which blend naturally with the Bank's new decor. Above is shown "The Fur Traders," reminiscent of the mid-way period in the nation's growth.

McGill Street entrance opens on to the main banking chamber with the Manager's office at far left so that he is easily accessible to clients and, at the same time, can survey from where he sits the entire field of operations.

This section of the main banking room, with entrance from St. James Street at far right, illustrates the spaciousness of the redesigned premises. Seven different kinds of marble were used for pillars, counters, and floor.

IMPERIAL BANK OF CANADA'S NEW OFFICES FEATURE

"STREAMLINED SERVICE"

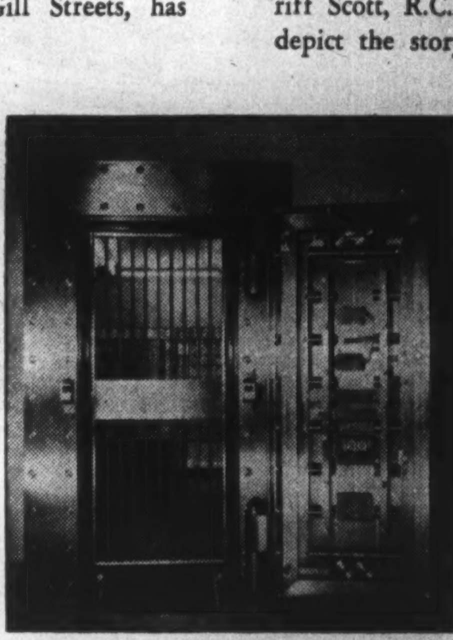
RENOVATION and modernization of the banking chamber of the Montreal branch of the Imperial Bank of Canada, at St. James and McGill Streets, has now been completed.

The banking space has been very much enlarged by taking in all the main floor of the building, and the re-arranged floor plan makes this one of the most convenient and modern banking rooms on the continent.

The public space fronts upon a continuous counter line, thus affording the best arrangement to keep the office free of congestion and give readiest communication between customer and banking officer.

Departments dealing directly with the public are placed next to the counter, with heavy plate glass separating the main departmental divisions. The manager, the staff and the clients have an uninterrupted view of the entire main banking room.

Tellers' cages have been replaced by low glass screens at the counter level so that all banking operations are conducted with speed and efficiency, and in a new-found intimacy. Air-conditioning and concealed lighting reflect the latest ideas in up-to-date banking.



Polished steel door and grill to the newly installed safety deposit vault in the basement. In the same corridor are special coupon-clipping booths for the use of clients.

Five striking murals painted by the distinguished Canadian artist, Adam Sherriff Scott, R.C.A., lend warmth and colour to the main banking room. These depict the story of Canada—exploration, settlement, trade—in significant events illustrating our progress from the XVI Century onward. Mr. Scott was assisted in his work on the murals by Kenneth R. Holmden, of Montreal.

The safety deposit department occupies the ground floor with access from the main banking floor. The vaults are entirely new and accommodation includes attractively designed coupon clipping booths and a small board room for clients.

Architects for the modernization project were Ross, Patterson, Townsend and Heughan. The interior of the banking office was cleverly and entirely remodelled by J. L. E. Price & Company, Limited, the work requiring two years. During this time both the public and the staff have put up with a great deal of inconvenience, but the bank has operated 100 percent in spite of everything. We are glad that it is over and are very pleased with the result.

The bank plans to erect new branch offices in Montreal on sites at the corner of Bleury and Mayor Streets and at 1200 Sherbrooke Street West.

IMPERIAL BANK OF CANADA

MONTREAL BRANCH

Corner St. James and McGill Streets

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Montreal East Branch:

11200 Notre Dame Street East, A. P. GRANT, Manager

MONTREAL DIRECTORS: JULES R. TIMMINS, ELIOT S. FROSST

The Financial Post

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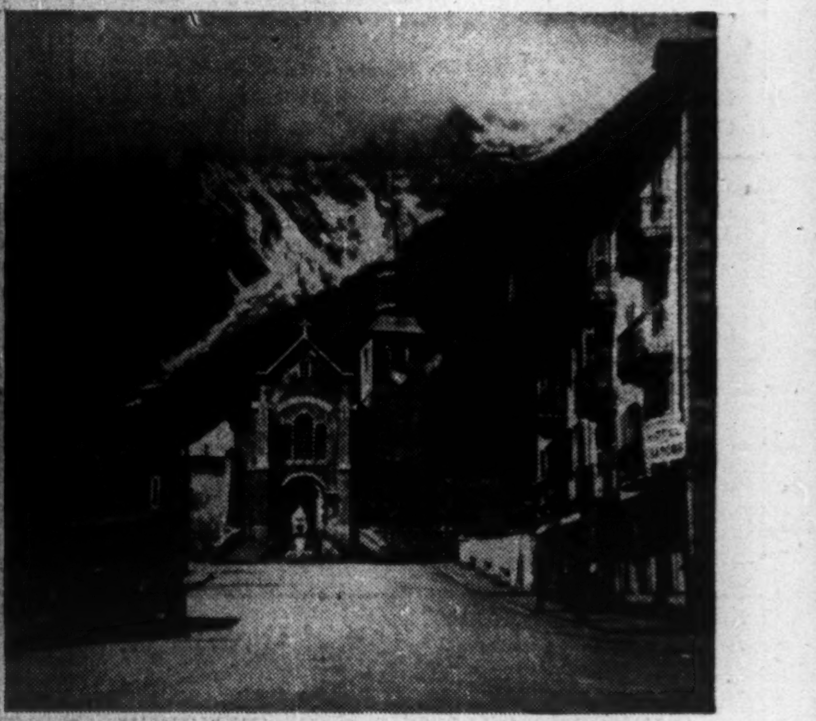
Kenneth R. Wilson, left, of The Financial Post, only Canadian journalist at the ITO conference at Geneva last month, gets a laughing "Nothing to say" from Canada's Deputy Minister of Customs and Excise, David Sim, when they meet in front of the Hotel de la Paix, Geneva.

Canada's Ambassador to Switzerland, Dana Wilgress, left, and Trade and Commerce Minister J. A. MacKinnon leave their Geneva hotel for a session at the conference

With Deputy Revenue Minister Sim is S. D. Pierce, right, Canadian minister-designate to Mexico, representing the External Affairs Department at the ITO meetings.



The delegates took time out from conference sessions to visit some of the beauty spots in Europe. Typical is Kenneth Wilson's picture of Chamonix in the French Alps.

Progress of Trade Talks Rides on Back U.S. Sheep

Wool Tariff Stand of Australia Tangles With American Views

By KENNETH R. WILSON

Fate of Empire preference and a possible round-the-world slash in tariffs seems now to rest on the innocent backs of America's 62 million sheep.

This looks like oversimplification.

But the simple and painful truth is this: that world-wide multilateral tariff discussions, now under way at Palais des Nations in Geneva, are currently slowed to a walk because of the political dynamite packed in and about U. S. wool-growers.

Just a few days ago Will Clayton, U. S. Undersecretary of State for Economic Affairs, rushed back from Geneva to try for clearance on this vital issue of wool. With such clearance Australia, New Zealand and South Africa reputedly stand adamant on preferential and other tariff concessions at Geneva Without such concessions, the chances of Canada and other nations negotiating a world-wide multilateral trade pact this summer are reduced if not completely stalemated.

Wool has always been high politics in the United States. Right now a Senate-House conference at Washington is wrestling with a wool price-supporting bill aimed to give further support and comfort to U. S. wool-growers. Already they have a tariff of 34 cents a pound on wool. Had a recommendation of a House of Representatives Agricultural Committee been approved, that tariff rate would have gone up by 50% or a further 33 cents a pound. The committee report was rejected but the measure as now in Congress calls for import fees atop of established duties if the U. S. Tariff Commission finds that the U. S. domestic program is being dislocated by foreign wool.

And with U. S. political fever running high on this key item, work at Geneva to haul down world tariff barriers is definitely bogged down.

Points up Australian Stand

You can see what such a proposition would look like to Geneva.

Even before it was raised, wool had become a vital issue. It was vital because, unless Australia can achieve at Geneva a substantial lowering of the present U. S. wool tariff, then she has made it clear she isn't interested in playing ball. This is the one thing she wants at Geneva and, without this concession, she is not prepared to do much, if anything, about lowering her own fairly high tariff rates against Commonwealth and foreign producers.

And, if Australia won't budge her tariff or lower her preferential margins, this in turn becomes a stumbling block in the whole system of Empire preference concessions. Britain, for example, will find herself up against a stone wall in getting or giving concessions in that market. In fact, many concessions now hoped for or under negotiation within the Empire and between Empire countries and United States, become difficult if not impossible if America's attitude on wool forces an Australian "stand-out."

Then, too, there is the psychological factor. America, in particular, has made it very clear that tariff concessions offered and accepted at Geneva must be on the basis of pre-war rates. Already the Americans have had quite a tiff with the French because it is claimed that the new French tariff introduced for the first time at Geneva a few weeks ago is, in some respects, much higher than the pre-war schedule.

U. S. Negotiators on Spot

But what confidence have negotiators at Geneva in the United States, if, during the very conversations themselves, the American Congress openly flaunts the proposal for almost doubling the present high rate on a key item?

So, until the Americans can resolve their problem in wool; until Mr. Clayton can return to Geneva with some assurance that the wool tariff can be negotiated downward, hopes for material tariff reductions at Geneva are not good.

The system at Geneva is this: that each of the 17 participating nations have agreed to exchange with each other definite "offers" for the reduction of their tariffs. As between Commonwealth countries these "offers" were discussed informally at a private "family" meeting in London prior to Geneva. But it is not so much what Commonwealth countries, or France, or Holland, or Brazil, or Czechoslovakia, are prepared to do. Essentially the outcome at Geneva must depend on what tariff concessions United States of America is willing to offer in her market. The tariff talks, which started at Geneva, were not even possible until United States of America was prepared to discuss the problem.

Specifically, under legislation approved by the U. S. Congress last year, President Truman is now empowered to negotiate trade agreements with any country in the world and to concede (via such trade agreements) concessions ranging up as high as 50% from the existing American rates. This is the authority which empowers the American delegation at Geneva to bargain. It is the authority to which all other nations look for some lead in postwar easing of trade barriers.

Benefits Sought by U. S.

In their turn, the Americans also look for some tangible benefits from Geneva. As it appears through American eyes, there are two broad concessions which are sought. The first is elimination of what Americans call "discriminatory practices." The second is removal or reduction of "quantitative" restrictions such as quotas.

In the first group, Americans put on top of the list the Empire preferential system. Politically, United States, ever since 1932, has looked on Empire tariff arrangements as something which discriminates against herself and, therefore, is obnoxious. She brushes aside the fact that in at least two instances (Cuba and the Philippines) she has such arrangements herself. She argues that, in the case of the Philippines, United States has already agreed to remove these preferences in 25 or 30 years' time. As already reported in The Financial Post, when I asked Mr. Clayton recently if he would be satisfied if Empire preferences disappeared by that date, he replied, "No, we want to get rid of them a lot sooner."

The Americans have also made it clear that they do not intend to seek removal of all Commonwealth preferential margins. But they have made it clear that they want, if possible, complete elimination of some of these margins and want, at least, a reduction of certain margins where their own interests are particularly involved.

A case in point, would be the present 50c. tariff against American anthracite coming into Canada. Since British or Empire coal comes in free, the Americans look on this as a discriminatory tariff. They insist that it be removed, especially since they, and not the British, have become the chief source of Canadian supply in recent years.

France's Stand Emphasized

Among quantitative restrictions which the Americans want removed, is a long list of trade barriers such as grew up in many countries of the world following the depression thirties.

One example is the French import quota on motor cars which completely prohibited pre-war importation of American cars into that country. Thus, before the war, it did not matter how high or low was the actual rate of duty against motor cars entering France. The fact was that the Government just said flatly that no American cars might compete in the French market.

Today, at Geneva, the French Government has submitted a completely new tariff schedule—a schedule comprising only ad valorem rates rather than the old specific duties which largely comprised the French tariff schedule.

It has been claimed by Britain, the United States, and others, that the new French rates are in many cases higher than those in effect pre-war. To this, the French reply that, while some rates are, in fact, higher, the new ad valorem rates replace and eliminate entirely the old combination of specific duties plus quota restrictions. They argue that this is the very goal toward which the Americans, in particular, are striving, namely a world where tariff barriers be clear-cut and aboveboard: not hedged about by impassable quota and other restrictions.

Also under discussion at Geneva is a wholly different type of restriction—a type of restriction which is going to be much harder to remove in the near future.

These restrictions are the sort which Britain and many other war-torn countries find it necessary to impose to protect their foreign exchange position, especially during the critical postwar "transition." Currently, for example, you cannot sell a Canadian car in Great Britain no matter how badly Britishers want it or how much they are prepared to pay for it. The reason: Britain is so desperately short of dollars that she has put an outright prohibition on the import of anything but the most essential goods so far as dollar countries are concerned.

An International "Code"?

This leads into the other bigger job which is under review at Geneva, namely the working-out of a new international trade "code" or charter.

The idea for such a charter goes back a long way, probably to the very early days of the war. Thus when the Americans drew up Lend-Lease agreements with various nations, a famous clause (Article 7) was inserted requiring recipients of lend-lease to remove discriminatory trade barriers. Although Canada was not a participant in lend-lease, this Government made a somewhat similar agreement with the United States government in 1942.

Later, in 1943, active discussions were held between Britain, United States and Canada looking toward some dramatic approach to the removal of trade barriers after the war. At that time, it was hoped that a flat percentage cut of, say, 25%, in the tariffs of leading world trade nations might be possible.

For various reasons, this idea did not pan out. In its place, agreement was reached on drawing up an international trade "code" aimed at reducing tariff barriers and, at the same time, setting down a sort of economic "ten commandments" on trade practice.

The idea here was that a sort of "club" or association would be drawn up, into which leading trade nations of the world would be invited to join. Benefits of club membership would be the new lower "most-favored nation" tariff rates already discussed. In return for this "privilege," club members would agree to refrain from certain obnoxious practices covering a wide range of questions—state trading, cartels, subsidies, commercial agreements, customs administration, marks of origin, valuation for duty purposes, full employment, etc.

A rough outline of such a charter was, in fact, prepared prior to the signing of the U. K.-U. S. loan agreement at Washington in November, 1945. At that time, both Britain and the United States initialled these proposals. In point of fact, they are still, today, the only nations which have officially indicated through their governments their approval.

To date, Geneva has barely scratched the surface of tackling this 79-point code. It was decided that the first job was to get the sense of the meeting about tariffs before any further work was done on the charter.

Ed. Note: A subsequent article will discuss some of the features of the new trade code of special interest to Canadian business.

Has Canada a New Major Oil Field?

Imperial Wells At Leduc Hold Hopes of Many

By GORDON M. GRANT

Will "black gold" from Alberta's new Leduc field float the Prairies along to a more efficient economy and prosperity?

This pious hope of a few months ago has in recent weeks been converted into something that has a better-than-average chance of reality.

If exploratory drilling of Imperial Oil at Leduc continues to "click"—and there are now three producing wells—Canada could boast a major oil source in a few months time; and cost of turning out gasoline in the Prairies could show a marked cut.

There is still a big IF in the picture—acreage has to be proved up—but the outlook is encouraging.

A sufficient area has been proven up by drilling at Leduc to result in a decision by Imperial, the area's sole driller, so far, to build a 7½-in. pipeline to railhead as quickly as pipe and materials can be brought together. Should the field (located 20 miles southwest of Edmonton) prove sufficiently large, a $10 million refinery might ultimately be built on the spot.

Even today before a pipeline is built, high-grade Leduc crude is being rushed to market. The crude is being delivered by truck and rail to the Calgary refinery of Imperial Oil where it is increasing the quantity of crude available to meet expanding Prairie demands. Ultimately Leduc crude will decrease dependence on imported crude through the entire Prairies, it is hoped.

If Leduc crude becomes available in quantity, it will:

1. Swell the Canadian national income.
2. Cut sharply freight bills now paid on imported crude.
3. Save badly needed U. S. dollars.
4. Lighten Canadian dependence on imported crude oil supplies (now 89-90% of all used).

What Freight Is Costing

From the standpoint of the out-of-pocket cost of gasoline to the consumer, the saving in freight charges is perhaps the biggest item. The situation in Saskatchewan illustrates the present dependence on imported crude—and the high cost of freight.

Last year only 14 million gallons out of Saskatchewan's refining requirements of 203 million gallons of crude oil could be supplied from domestic fields, Imperial Oil reports. The balance had to be imported from the United States by tank cars over distances ranging from 500 to 2,100 miles. As a result freight rates which, when Turner supplied Saskatchewan, averaged about 1½ cents a gallon, rose to as much as 6.13 cents a gallon, averaged 5.43 cents a gallon. This means a big boost in the cost of gasoline to the prairie farmer.

As an oil field, Leduc is still in infancy. Certain requirements for potential greatness are nevertheless there. The first three wells disclosed not one but two productive horizons, both proven capable of substantial production.

Gas pressure has been substantial, assuring the essential gas for lifting the oil.

Drilling depths—a little over 5,000 ft.—are much lower than the 7,000-9,000-ft. depths of Turner Valley, will permit wells to be drilled for half the cost of those in Turner.

Horizontal dimensions of the field are still the big question mark. They, of course, will determine just how great Leduc will be.

Officials of Imperial Oil naturally aren't making any advance predictions "ahead of the drill." But from the initial three wells, an area three miles long by three miles wide is fairly close to being proven or semiproven, some oil men claim. With 40-acre spacing, this area alone could provide sites for the drilling of 144 wells.

Imperial Oil so far hasn't committed itself as to whether its first three wells (see map) were across the oil-bearing structure or extending along the flank. It is possible experts haven't been able to tell conclusively as yet. If the wells are across structure (and the fact that the No. 2 well encountered water apparently near a southwest edge of the structure supports this view), then the width of the oil field is already considerably greater than that of the relatively narrow Turner Valley foothills field. One unofficial theory on the shape of the field is that it might have a northwest-southeast trend similar to Turner Valley and

(Continued on page 16)

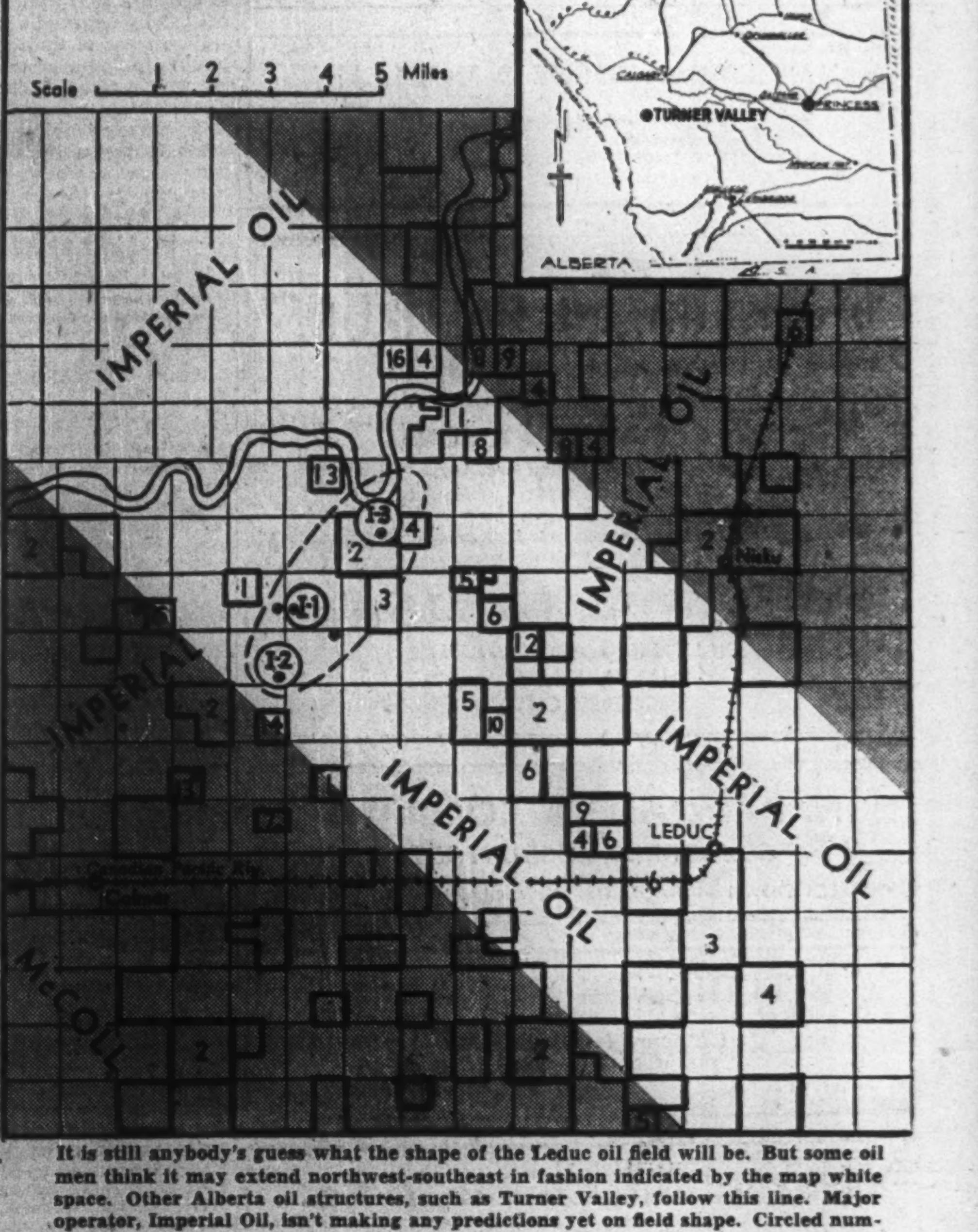
In Leduc Area

Interest in Leduc's oil is not confined solely to Imperial Oil Co. and other "majors" with leases in the general area. Each of the following is reported on the Leduc "bandwagon."

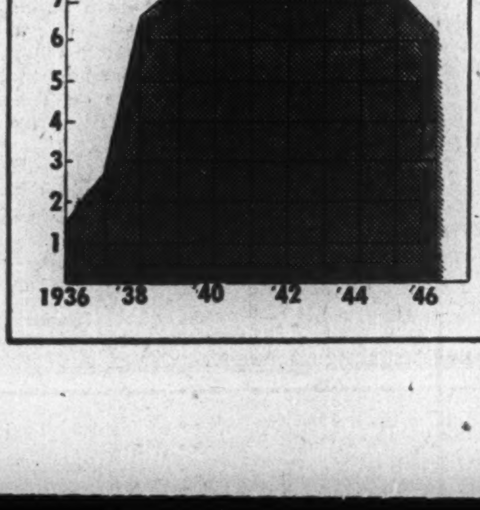
1. Home Oil Co.
2. Hudson Bay Co.
3. Gas & Oil Products
4. McQueen & Mewburn
5. Okalta Oils
6. Homestead Consolidated
7. Continental Oil
8. Dillon & Cross
9. Princess Petroleums
10. Davies & Silliker
11. Calmont Oils
12. Coastal Oils
13. Leduc West & Globe
14. S. Brazeau
15. California Standard
16. Wilkinson

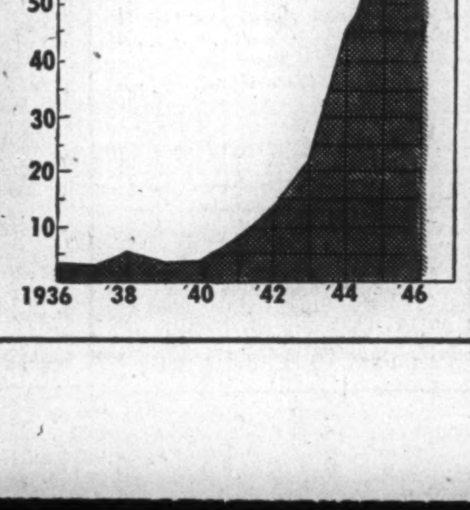
Numbers signify reported property locations as shown on accompanying map.

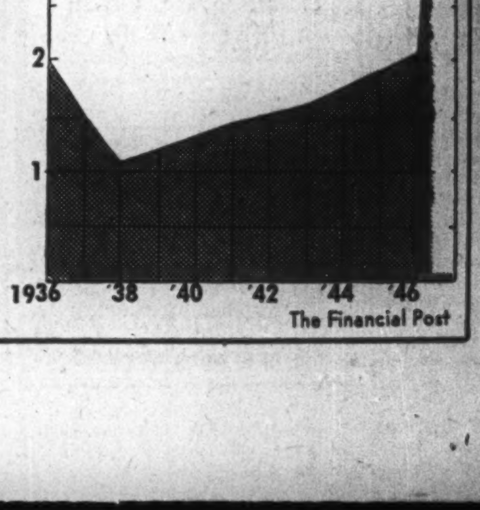
What Are Next Moves On Oils Checkerboard?



It is still anybody's guess what the shape of the Leduc oil field will be. But some oil men think it may extend northwest-southeast in fashion indicated by the map white space. Other Alberta oil structures, such as Turner Valley, follow this line. Major operator, Imperial Oil, isn't making any predictions yet on field shape. Circled numbers show the three initial Imperial producing wells. Individual property ownership is indicated by numbering, which refers to panel elsewhere on this page.







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Keep Out of Trouble—XXI

Watching the Details of Your Income Tax Form Simplifies Work and May Save Some Tax Dollars

To avoid trouble with the Income Tax Department, make an Income Tax Return every year whether you have a taxable income or not. If your income isn't large enough to be taxed, it won't cost you any money to make the return, but it may save you a lot of trouble later on when you have to pay tax.

If you have a taxable income, especially from wages or salary, and don't report it, the Income Tax Department will catch up with you eventually and when they do, they will likely be pretty tough with you.

An example of what happens in such cases is Mr. X, who up to 1942 had never turned in an income tax return, although he had been making a good salary for some years back.

Partly because he was changing his jobs frequently and partly because he moved often from town to town, the income tax people didn't know he existed.

But in 1942, when the Government started making deductions of income tax at the source, they caught up with him. They then asked him about his income taxes for some years back. Before he got things straightened up, it cost him a lot of money, which on top of the new 1942 income tax rate was much more burdensome than if he had paid each year as he went along.

In one or two of the preceding years, his earnings had been relatively small. But as he had kept no books it was hard to convince the income tax officials that they had not been around the 1942 level when they first made contact with him. They assumed his income in previous years was at or near the 1942 level and that he should pay taxes accordingly.

This difficulty of Mr. X, indicates that it is an important thing to keep a record of your income by either books or accounts showing your total revenues and any legitimate deductions to which you may be entitled.

Many people on salary or wages don't keep any books other than their bank or cheque books. Even some whose income is derived from investments or from a privately owned business, don't keep much if any record. But if the income tax officials want any details this will not be enough and if you don't give it to them they may get nasty.

The Income War Tax Act empowers the Minister of National Revenue to require any person to keep "adequate" books or accounts and provides penalties for those who don't comply with the request.

If you get an order to keep books or accounts and don't comply, you may be fined $25 a day for every day until you do furnish the necessary information.

Making out the return itself should not be such a bad job for the ordinary wage earner as it looks at first glance. A lot of people run into trouble because they try to complete page one before they have completed the inside pages. Thus while page one of the 1946 return asks for particulars of your name, address, employer etc., which can be given without any trouble, it also asks for information which is available only after the inside pages have been completed and the necessary calculations made. Page one of the return thus asks for the conclusion of the story, details being on the inside pages. Accordingly don't try to complete page one first.

The return itself tells you plainly to read the instructions given on the information form first, then complete pages two and three re income and deductions, then complete page six regarding marital status, dependents and family allowances recovery.

If you have investment income exceeding $1,500, and claim an Armed Forces credit, partial dependent, or have more than seven dependents, or if you are managing an estate or trust, it will be necessary for you also to complete page four before you come to page one. It's a good plan to read over the whole return before you actually start to fill it in. If you do all this, you will find the job isn't so bad unless there are some ticklish points in connection with amounts you have received during the year.

As a good citizen you don't want to evade paying your just taxes. But at the same time as a thrifty soul you don't want to pay taxes not legally required of you.

Here some of the most common causes of trouble to taxpayers as indicated by enquiries which reached The Financial Post, are discussed.

If you are employed watch carefully the items that you should include along with your salary or wages.

You normally of course get a statement from your employer showing how much he actually paid you during the year and this saves you the trouble of having to make it up yourself. But there are some other items which may cause trouble.

For example, suppose you get a straight allowance for travelling expenses, say $500. If it is paid you as a lump sum and does not have to be accounted for, item by item, to your employer, then it should be reported as salary. But money you get from your employer to indemnify you for itemized expenses is not considered income and therefore does not need to be included.

Moreover, if you are a director of a company and receive a fee for attending the meetings, then those fees should also be included as income. If you are an employee of the same company your directors fees are considered class A income, otherwise class B.

In some cases employees are supplied with free houses, living allowances, free board, etc. These are all considered part of your income for the year, and should be entered as income.

Then supposing you buy a house during the year and sell it again at a profit, the

If you first fill out the details on the inside pages of your income tax form, there will be little trouble with the rest of it.

profit you make would not be considered income. But if you do this often, until it becomes part of your actual means of livelihood then you will be expected to report the profit as income.

If you own your own business, say a store or a small factory, you should show plainly what your total income for the year is and from it deduct the actual expenditures.

Among the latter you are entitled to deduct money paid to help as wages or salary, rent for a store or factory property, fire liability or guarantee insurance premiums, reasonable repairs, cost of merchandise and any money paid on borrowed money.

If, however, your wife works in the store or some of your dependent children work there for you, even though you pay them a regular salary, you are not entitled to make any deductions on their account for income tax. In such cases there is no separation between the income of husband and wife.

When you retire and sell out your business any profit you make on your stock is considered income. Profit on the building and fixtures, however, would be considered capital return. As a merchant your income is made by selling merchandise at a profit and accordingly any profit you make even on a bulk sale is income.

Also a farmer who makes his living by selling grain and livestock when he retires and sells out, must show any profit on grain in store, livestock, etc., as income. Profit on his farm or equipment, however, would be capital gain and not taxable.

There are also other sources of income which come under the head say of commissions. Thus suppose you are a banker but in your spare time do some bookkeeping for the neighborhood storekeeper and he pays you for it. You would not be expected to include remuneration for a single job of this kind as income for income tax purposes. But if you make work like this a regular sideline then you would be expected to pay tax on the amount so received.

In many cases people who inherit a legacy think they must pay tax on it. This is not so. According to general practice legacies are not subject to income tax as long as the amount so received is paid out of the capital of the estate.

But when you receive a legacy paid out of interest from an estate then it is subject to income tax. Thus suppose your uncle dies and leaves you $10,000. But before you receive the $10,000 it has accumulated $300 interest. Of the total amount of $10,300 you receive, the $10,000 from capital will be free of income tax, but the $300 accrued after your uncle died will be considered income and you will be liable for tax on it.

Investment Income

One of the most common causes of trouble to income tax payers is investment income. First thing to remember here is that if your investment income amounts to more than $1,500 in the year, you have to pay a surtax of 4% on the excess over $1,500.

Under investment income you include dividends from stocks, bond interest, income from taxable annuities, mortgages, bank deposits, etc. Normally there should not be much trouble calculating your investment income but there are some things to be watched.

For example, suppose some of the bonds or stocks you hold are redeemed at a premium over par, the premium must be reported as income. But when they mature or are redeemed at par after you paid say $106 for them on the market, you cannot deduct anything for the loss. That's just your hard luck. On the other hand if you sell your stocks or bonds at a profit, the profit is capital appreciation and not taxable.

Then suppose you have stocks or bonds bought on margin. In that case you can deduct from your total investment income, interest paid on money borrowed to buy them.

Similarly if you own a building with a mortgage on it, which you rent to somebody else, you can deduct the interest you pay on the mortgage, also insurance premiums, cost of repairs and commissions paid an agent, for collecting rentals, from the revenues you receive. But you can't deduct expenses for getting leases made out.

On Mining Stocks

Moreover carrying charges on any investments such as mortgages or stocks which exceed the revenue therefrom can be deducted from your total investment income. Carrying charges on mining stocks are also deductible. But carrying charges on real estate which makes no return can be deducted only from income on other producing property. But you can't deduct a deficit on investments, from earned income such as wages or salary or the income you make from your business.

If you hold mining stocks or stocks in oil producing companies you are usually allowed to deduct 20% from dividends for depletion of the property. Oil companies which derive revenue both from selling and distributing petroleum products as well as from producing it are usually allowed a 10% depletion. If part of the income of mining or oil producing companies is derived from investment in industrial stocks or bonds then the depletion allowance might be cut accordingly.

It is just as well in such cases to make enquiries to find out how much depletion you should write off.

Then there are certain cases which require special care such as Alberta bonds or Abitibi and other industrial bonds which have either been in default or where there has been a reorganization. In these cases, where special settlements have been made, part of the payment received may be considered a return of capital and part as interest.

Usually in such cases the debtor concerned in co-operation with the income tax department has calculated the amount of each payment which should come under either category and if you haven't this information you should either write the debtor or your income tax inspector for the necessary information. There is not much use, in these cases, trying to calculate the interest portion yourself as there are so many factors that have been taken into consideration in working them out.

Then suppose you get bond interest or dividends from British and foreign corporations. You are expected here to report the net amount which you receive after any deduction is made at the source plus any premium for exchange. You add to this, the tax deducted at the source and show the gross amount in your income tax return.

You will be allowed later on to deduct the taxes paid to another country on these revenues.

(In the next article annuities, alimony payments, family status and farm income, etc., will be discussed.)

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

WOOD, ALEXANDER & JAMES net profit for year ended Jan. 31, 1947 was up sharply at $155,275 ($59,867 excluding $19,319 refundable E.P.T. last year). The year was one of progress under more normal conditions, sales volume reaching a new high. It is anticipated that certain merchandise will be more readily available during 1947, although a number of hardware lines are still in short supply.

INCOME ACCOUNT

Years Ended Jan. 31:	1947	1946
Net income	$349,710	$215,889
Less: Depreciation	17,792	16,531
Income taxes	176,643	139,491
Net profit	155,275	59,867
Less: 1st pf. divds.	45,500	45,500
Surplus for year	109,775	14,367
▲Incl. ref. EPT	......	19,319
Earnings per Share and Dividend Record:		
1 pf.: Excl. ref. EPT	$23.89	$9.21
Incl. ref. EPT	23.89	12.18
Paid	7.00	7.00
2 pf.: Excl. ref. EPT	51.68	6.76
Incl. ref. EPT	51.68	15.86
Com.: Excl. ref. EPT	14.60	d0.08
Incl. ref. EPT	14.60	2.90

None paid on 2nd pref. or common.

CONDENSED BALANCE SHEET

As at Jan. 31:	1947	1946
Cash & Dom. bds.	$63,849	$220,413
Accts. rec.	299,588	192,510
Inventories	753,884	575,096
Total curr. assets	1,117,321	988,019
Misc. assets▲	59,950	61,226
Fixed assets	719,349	702,453
Total assets	1,896,620	1,751,698
Bank advances	......	13,800
Accts. & tax. pay.	298,590	269,159
Dividend pay.	11,375	11,375
Total curr. liab.	309,965	294,334
Depreciation res.	320,792	309,613
Capital stock	921,863	921,863
Surplus▲	344,000	225,888
▲Incl. ref. EPT	48,663	49,131
Working capital	807,356	693,685

CANADIAN CRUSHED STONE 1946 net profit was up 69%. Volume of business showed a good increase over 1945, and, while it is difficult to judge future conditions, the present outlook seems to point to another year of satisfactory operations, it is stated.

During the year $86,648 was spent on machinery and equipment at the Dundas and Hagersville quarries to replace and modernize operations. Further expenditures will be made this year and for some years to come..

INCOME AND SURPLUS ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$223,237	$117,949
Less: Interest	......	1,283
Depreciation	54,072	29,308
Income taxes	83,951	37,017
Net profit	85,214	50,341
Less: Divds. paid	25,496	25,496
Surplus for year	59,718	24,845
Earnings per Share and Dividend Record:		
Common: Earned	$1.34	$0.79
Paid	0.40	0.40

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$360,089	$331,148
Accts. rec.	64,423	62,936
Inventories	35,803	30,821
Total curr. assets	460,315	424,905
Misc. assets	69,518	65,870
Fixed assets*	1,212,358	1,181,939
Total assets	1,742,191	1,672,714
Total curr. liab.	101,290	90,794
Capital stock	637,400	637,400
Surplus	1,003,501	944,520
*After depr. of	987,621	965,638
Working capital	359,025	334,111

CANADIAN GENERAL SECURITIES 1946 net profit was up 17.4%. Net income was $106,793 ($91,580 in 1945). Expenses, $40,936 were up $5,909. Earned surplus account at year end amounted to $228,475.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net income	$106,793	$91,580
Less: Expenses	40,936	35,027
Income tax	......	384
Net profit	65,857	56,169
Less: Divds.	26,410	......
Surplus for year	39,447	56,169
Earnings per Share and Dividend Record:		
Class A & B: Earned	$2.49	$2.13
Paid	1.00	......
Class C: Earned	nil	nil

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$1,300	$9,231
Accts. rec.	3,226	4,973
Prep'd. Dom. taxes	4,000	......
Subsid. & mkt. invest.	368,525	299,458
Other invests.	32,068	32,070
Total assets	409,119	345,732
Accts. pay.	1,971	4,128
Divds. pay.	26,297	.....
Taxes pay.	......	200
Total curr. liab.	28,268	4,328
Capital stock	34,301	34,301
Capital surplus	118,075	118,075
Earned surplus	228,475	189,028

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INCOME TAX

Accrued Bond Interest

I have just bought $2,000 of Dominion of Canada savings bonds on which I had to pay a premium to cover accrued interest. Can I deduct the amount of this accrued interest from my gross income for tax purposes? The coupons are payable only once a year.

The amount you paid over par for the bonds is not a premium but only the interest accrued up to date of purchase. When you cash your coupons some months from now you will get it back. Consequently you are not entitled to any deductions from income for income tax.

Thus the coupons on the $2,000 will be worth $55 but you will show on your income tax return only the $55, less the accrued interest you paid when you bought the bonds.

INVESTMENTS

Montreal Loco

Does the business on hand for Montreal Locomotive Works not indicate favorable earnings for 1947? Why has the price of its common stock dropped in the market?

It is true that the business on hand of Montreal Locomotive Works points to favorable earnings during 1947. At the time of the annual meeting on Apr. 23, 1947, it was stated that the company had orders on hand, principally for steam locomotives, amounting to $5,755,000 which would be sufficient to keep the plant operating close to capacity for three to four months. It was also stated that negotiations were in progress with customers for about $10 millions of locomotives and other products. With the current market price of Montreal Locomotive stock of around $17, it appears that the market is discounting the favorable outlook for this company.

There are three factors which may have a bearing on the present price of this stock.

Prior to the publication of the annual report many investors were hoping that the dividend rate would be raised. At present the company is paying 20 cents quarterly or an annual rate of 80 cents a share. When company officials stated that there would be no increase in dividends at this time the market, of course, reacted and the price declined.

The stock market generally appears to be an in-between state at the present time. Montreal Locomotive which is currently selling for about four times the 1946 per share earnings is not alone in this respect. Some investors feel that other stocks are also underpriced in relation to earnings and have been for many months.

At the annual meeting Duncan W. Fraser, Chairman of the Board of Directors, stated that the company had started on a wide program of diversification which required substantial cash expenditures and that it was therefore necessary to conserve working capital. This apparantly was the reason the company did not increase its dividend payments. From the investment point of view, however, it is reasoned that a policy of conserving working capital indicates that the return on investment by way of dividends may be less than was formerly anticipated. In other words, it is believed that investors are not looking for any great increase in dividend payments until the diversification program is further advanced.

In addition there are other factors which could affect the earnings of Montreal Locomotive Works. A recurrence of last year's labor unrest would, of course, react unfavorably on this company as well as others. Also important is how much longer the Canadian Government will continue its export credit to foreign countries. Many countries took advantage of these credits to purchase durable goods in Canada, such as those manufactured by Montreal Locomotive Works. If the export credits are cut off, it is possible that foreign customers would not be able to make these purchases.

Finally, it should be borne in mind that while Montreal Locomotive has embarked on a program of diversification, the company still has very heavy investment in machinery and equipment, designed primarily for the manufacture of locomotives. As long as the Locomotive Division of the company can maintain capacity operations, or at least until the diversification program is further advanced, outlook for this company appears favorable.

MISS EDITH McEACHERN

of The Financial Post advertising staff has been elected president of the Women's Advertising Club of Toronto.

New 'Peg Firm Operates Manitoba, Ont. Airlines

From Our Own Correspondent

WINNIPEG — The Canadian Pacific Air Lines franchise for its air routes in Manitoba and Northwestern Ontario has been acquired by Central Northern Airways, Ltd., a company incorporated by a group of Winnipeg business men: George H. Sellers, president; Milton E. Ashton, vice-president and general manager; F. Roy Brown, vice-president and operations manager; D. Stewart Ormond, secretary-treasurer; James N. Connacher, John A. Hutton, Arthur J. Vincent, directors.

Ashton and Brown have been flying more than 30 years. Leaving their positions as senior pilots in Canadian Airways, they formed their own company in 1934. They operated from a main base at Lac du Bonnet and from other points in Manitoba and Western Ontario. Between them they have invested $30,000 in Class "A" stock on the same basis as other shareholders and have purchased 22,500 shares of Class "B" stock at $74.250. Their investment represents every cent received from sale of their partnership business after meeting bank and other liabilities.

Capital structure of the company includes 10,000 authorized 5% cumulative preference shares, 7,500 issued; 30,000 Class "A" shares of $10 par value, 20,000 issued; and 60,000 authorized Class "B" shares no par value, 46,000 are issued.

The Class "A" shares are entitled to dividends at the rate of 50c. a year, cumulative from May 15, 1947, and payable semi-annually on May 15 and Nov. 15; and are entitled on dissolution, liquidation, or winding up of the company to payment of $10.50 per share plus unpaid dividends, prior to any payment on the Class "B" shares. They are redeemable at option of the company in whole or in part at any time at $10.50 a share on 60 days notice.

The new company, which made its first flight May 12, operates 10 planes from main bases at Flin Flon, Lac du Bonnet, and Sioux Lookout, Ontario. From Flin Flon regular flights will be made to Sherridon, Island Falls, and Snow Lake. For Lac du Bonnet there will be regular flights to Bissett, Long Lake, Favorable Lake, and Berens River; from Sioux Lookout, flights to Casummit Lake and Gold Pines.

Unscheduled and other flights will be available to the Lynn Lake area, Gods Lake, Norway House and as far north as York Factory on Hudson Bay. In Ontario the district around Pickle Lake will also be served.

A prospectus has been issued offering 20,000 Class "A" shares at $10 each, from which estimated net proceeds, if all are subscribed for, is $185,000. The money is being used to pay Mr. Ashton and Mr. Brown for their holdings in their own company, which is being taken over by the new corporation. Their company is the Central Northern Airways Co. first incorporated by Dominion Letters Patent in 1934, and its charter amended last month by supplementary Letters Patent. Purchase price of their holdings was for $287,511 cash.

The various key personnel are being taken over from C.P.A. U. S. Wagner will be in charge of the Sioux Lookout base and W. Carlyon will continue at Lac du Bonnet. Particular stress is to be placed on high standard of equipment and maintenance, to ensure maximum safety and efficiency.

The company president, George H. Sellers was a group captain in the war, serving for six years. He was chief flying instructor and, commanding three Service Flying Training Schools in Western Canada, set several records for efficiency and safety. He became senior Air Staff Officer of No. 4 Air Training Command and later of No. 2 Air Training Command, and was responsible for all flying and training for the RCAF from head of the lakes to the Rocky Mountains. He later commanded a Spitfire Wing in Europe. Mr. Sellers is managing director of Melady, Sellers & Co.

Europe Recovery Slow, Is Warning Of Dutch Banker

From Our Own Correspondent

CHATHAM—World trade and financial balances will not return to normal for "a long time," is the forecast of Cornelius Verhoogh, a director of the Halfwegsche Bank of Holland, now vacationing here with his son, Henry, whom he had not seen for 18 years.

Rapidly rising sale prices in the "have" nations are forcing many European countries to a state bordering on "inflationary bankruptcy" with a resultant swing to Communism, he warned. These countries have a surplus of national currency but are unable to get sufficient food and clothing, so scarce have these commodities become, he added. They have to buy machinery abroad at much higher prices "in order to get our countries back on their feet economically."

The Netherlands' export business is improving, with cheese, tulip bulbs and gin the principal items shipped overseas as a means of obtaining foreign exchange, he reported. He is visiting a number of Canadian banks, to study their methods.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DUPUIS FRERES net profit for the year ended Jan. 31, 1947, was up 142%. Sales were at an all-time high and resulted in a record profit. An application has been made to have the standard profit base increased and a favorable decision is expected, it is stated.

Two constructive operations took place during the year; the preferred shares were refunded into a new issue of 67,000 shares of $25 each, and the mortgage loan on store buildings was renewed for a long term period for a slightly larger amount at the favorable rate of 4%. As soon as favorable conditions permit, work will be started on store enlargement. President Raymond Dupuis looks forward with confidence to the continuation of the favorable earnings conditions and a further growth of business in the current year.

INCOME ACCOUNT

Years Ended Jan. 31:	1947	1946
Gross profit	$1,418,047	$1,146,809
Less: Mtge. interest	38,998	38,275
Depreciation	142,021	131,383
Inventory	18,883	13,328
Taxes	719,397	754,807
Add: Asset sale	2,457	......
War ins. recov.	4,446	......
Net profit	505,651	209,016
Less: Pref. divds.	75,596	70,950
Surplus for year	430,055	138,066
Earnings per Share† and Dividend Record:		
Pref.: Earned	$7.55	$3.12
Paid	0.60	....
Pref. (old): Paid	3.00	6.00
Com.: Earned	21.26	6.43
None paid.		

†Based on present outstanding capitalization with full year's dividend deducted on preferred before calculating common earnings.

CONDENSED BALANCE SHEET

As at Jan. 31:	1947	1946
Cash & bonds	$1,146,009	$1,137,106
Accts. rec.	714,765	541,786
Inventories	1,679,567	1,357,948
Total curr. assets	3,540,341	3,036,840
Misc. assets▲	626,019	996,662
Fixed assets*	2,078,542	3,558,520
Goodwill	1,239,920	1,239,920
Total assets	7,484,823	8,831,942
Total curr. liabs.	1,129,307	1,319,871
Mortgages	816,478	826,080
Depr. res.	......	1,556,398
Other res.	207,828	339,597
Capital stock	3,675,000	3,595,500
Earned surplus▲	1,656,120	1,194,496
*After depr. of	1,695,490	......
▲Incl. ref. EPT	446,555	446,555
Working capital	2,410,944	1,716,969

HART BATTERY CO. St. John's, Que., net profit for the year ended Oct. 31, 1946, was up 115%. Liquid position of the company is satisfactory, it is stated; current assets are $537,954, against current liabilities of $140,081.

INCOME ACCOUNT

Years Ended Oct. 31:	1946	1945
Net earnings	$143,444	$178,465
Less: Depreciation	15,327	29,645
Pension fund	4,802	2,639
Income taxes♦	70,495	121,611
Net profit*	52,820	24,570
Less: Dividends	27,500	27,500
Surplus for year	25,320	†2,930
♦Incl. ref. EPT	2,657	21,013

Note:—Co's. report includes ref. EPT in net profit and surplus for the year.
†Deficit.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.06	$0.49
Incl. ref. EPT	1.11	0.91
Paid	0.55	0.55

CONDENSED BALANCE SHEET

As at Oct. 31:	1946	1945
Cash	$130,265	$76,868
Accts. rec.	148,043	221,034
Inventories	259,646	259,403
Total curr. assets	537,954	557,305
Deferred chgs.▲	52,497	48,259
Fixed assets (cost)	552,309	539,534
Total assets	1,142,760	1,145,098
Total curr. liab.	140,081	185,723
Depreciation res.	402,896	387,569
Conting. & invent. res.	20,000	20,000
Capital stock	308,600	308,600
Earned surplus▲	271,183	243,206
▲Incl. ref. EPT	46,716	44,059
Working capital	397,873	371,582

INVESTMENT BOND & SHARE CORP. 1946 net profit was up 30%. Net revenue from investments was $83,336. Expenditures, including interest on debentures and call loans and general expenses amounted to $103,359. During the year the call loan in United States funds, which at Dec. 31, 1945, amounted to $200,000, was paid off and the reserve for exchange, amounting to $21,000 was credited to revenue deficit. Break-up of the corporation's outstanding debentures at year-end was $132.30 ($144.75) per $100 debenture a year before. Valuation of investment at year end, including cash, etc., of $158,356, was $2,185,842. As at year end, company investments were distributed: common stocks, 81.12%, preferred stocks, 9.16%, cash, etc., 7.24% and bonds, 2.48%.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net revenue	$83,336	$67,942
Expenses	13,800	14,666
Net income	69,536	53,276
Less: Deb. interest	84,869	85,100
U. S. exch. on int.	4,543	9,142
U. S. tax on int.	147	151
Deficit for year	20,023	41,117
Times Deb. Int. and Exch. Earned	0.78	0.56

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$157,345	$7,689
Invests. at cost*	1,981,415	2,270,925
Accr. revenue	719	906
Prep. ins.	292	......
Net loss on secs.	1,250,387	1,388,393
Revenue deficit	263,702	262,679
Total assets	3,653,860	3,930,592
Call loans and exch.	......	221,000
Accts. & tax. pay.	7,360	7,592
Debentures	1,646,500	1,702,000
Capital stock	2,000,000	2,000,000
*Market value	2,027,486	2,683,628

COLONIAL STEAMSHIPS 1946 net profit was off 20.7%. Net earnings at $338,022 were down $453,181.

INCOME ACCOUNT

Years Ended Dec. 31:	1496	1945
Net earnings	$338,022	$791,203
Less: Deprec.	71,102	48,172
Inc. tax prov.♦	110,000	545,000
Net profit	156,920	198,031
Less: Dividends	150,000	120,000
Surplus for year	6,920	78,031
♦Incl. ref. EPT	......	80,000

*Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$5.23	$6.60
Incl. ref. EPT	5.23	9.27
Paid	5.00	4.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & govt. bds.	$1,041,193	$1,642,478
Accts. rec., etc.	48,641	25,563
Life ins., c.s.v.	12,250	10,946
Inventories	29,035	75,363
Total curr. assets	1,131,119	1,754,350
Misc. assets▲	475,619	475,863
Invest. in subsid.	6,800	6,800
Fixed assets*	838,645	452,137
Total assets	2,452,183	2,689,150
Accts. and tax. pay.	152,832	396,719
Conting. res.	100,000	100,000
Total curr. liab.	252,832	496,719
Replace. res.	1,000,000	1,000,000
Capital stock	30,000	30,000
Surplus▲	1,169,351	♦1,162,431
*After depr. of	797,901	726,799
▲Incl. ref. EPT	458,000	458,000
Working capital	878,287	1,257,631

♦Reflects transfer of $175,000 to replacement res. and capital profit of $155,643 re sale of steamship.

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The ice is still THIN!

★

Even though the "Danger" signs of Inflation can be taken down now, they have to be replaced with signs reading, "Proceed With Caution." The ice is still too thin for any Canadian to tell himself, "Now, at last, I can go ahead and buy everything I want."

We can't—yet. But we can proceed to enjoy—in moderation—many of the goods and services which were so long in short supply. These good things are ours at moderate prices now because we were moderate in our demands before.

Today, Canadians can indeed be proud of one of this country's finest possessions, which is, as The House of Seagram has long contended, this nation's policy of moderation in all things—in its thinking, in its buying and in its personal habits.

Men who Think of Tomorrow *Practice Moderation Today!*

THE HOUSE OF SEAGRAM

★ ★ ★

M14

DIVIDEND NOTICES

Chartered Trust and Executor Company

Dividend No. 114

NOTICE is hereby given that a dividend of 1¼% has been declared on the paid-up Capital Stock of the Company for the quarter ending June 30th, 1947, payable July 2nd, 1947, to shareholders of record at the close of business June 16th, 1947.

By order of the Board.

E. W. McNEILL, Secretary.

Dated at Toronto May 20th, 1947.

Donnacona Paper Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.125 per share has been declared on the Cumulative, Redeemable Convertible Preferred Stock of the Company for the quarter ending August 15th, 1947, payable August 15th, 1947, to shareholders of record on the 15th day of July, 1947.

By Order of the Board.

P. L. FITZGERALD, Secretary.

Quebec City, P.Q. May 22nd, 1947.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three-Quarters per cent (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 30th June, 1947, payable 15th July, 1947, to shareholders of record 16th June, 1947.

By order of the Board,

L. P. WEBSTER, Secretary.

Montreal, May 21st, 1947.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-five cents ($1.25) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 30th June, 1947, payable 2nd July, 1947, to shareholders of record 5th June, 1947.

By order of the Board,

L. P. WEBSTER, Secretary.

Montreal, May 21st, 1947.

THE WABASSO COTTON COMPANY, LIMITED

NOTICE OF DIVIDEND

A quarterly dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of THE WABASSO COTTON COMPANY, LIMITED, payable on the 2nd of July, 1947, to shareholders of record as at close of business on the 14th of June, 1947.

By Order of the Board.

H. W. CAPEL, Secretary-Treasurer.

Montreal, Que. 20th May, 1947.

PROPRIETARY MINES Limited

DIVIDEND NO. 85

NOTICE is hereby given that a Dividend of three cents per share has been declared on the issued capital stock of the Company, payable in Canadian Funds on July 9th, 1947, to shareholders of record at the close of business on June 9th, 1947.

By Order of the Board.

J. INGRAM, Secretary-Treasurer.

Toronto, Ont., May 21, 1947.

Hollinger Consolidated Gold Mines, Limited

DIVIDEND NUMBER 392

A dividend of 6c per share has been declared by the Directors on the Capital Stock of the Company, payable on the 30th day of June, 1947, to shareholders of record at the close of business on the 2nd day of June, 1947.

Dated the 22nd day of May, 1947.

P. C. FINLAY, Secretary.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

WEDNESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fourteenth day of June, 1947.

By order of the Board.

WALTER F. WATKINS, Secretary.

TORONTO, May 21st, 1947.

NOTICE

VULCAN OILS LIMITED

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Annual General Meeting of the Shareholders of Vulcan Oils Limited will be held at the Company's office, 403 Leeson-Lineham Building, Calgary, Alberta, on Thursday the 12th day of June, 1947, at the hour of 10:30 o'clock in the forenoon, for the purpose of receiving and considering the Report of the Directors of the Company, the Balance Sheet and Auditor's Report, electing Directors of the Company, appointing Auditors, and transacting such other business as may properly be considered at the meeting.

The Transfer Books of the Company will be closed, from the 29th day of May, 1947, to the 12th day of June, 1947, both inclusive.

DATED at Calgary, Alberta, this 23rd day of May, 1947.

By Order of the Board of Directors.

EDWARD E. NOTT, Secretary-Treasurer.

Will Leduc Prove Another Major Oil Field? Prairies Watch While Exploration Continues

(Continued from page 13)

other Alberta structures. The accompanying map shows graphically (light area) what might be roughly the favorable area should this prove true.

The initial three producing wells at Leduc have been completed such a short time that information on their full production potentialities is still sketchy. About 500 bbls. daily are being delivered by truck to rail head and completion of further wells may bring a temporary transportation bottleneck.

Here is the score at the individual wells:

Imperial Leduc No. 1 well is turning out 166 bbls. of oil a day through a ⅜-in. orifice.

Imperial Leduc No. 2 well through a ⅛-in. orifice turned out 104 bbls. of oil in a day.

Imperial Leduc No. 3, possibly the best of the three, turned out 274 bbls. of oil in a day; a 5/16-in. choke was used for eight hours and a 3/16-in. choke was used for the remaining 16 hours.

Imperial Leduc No. 4 well has found oil in the second porous zone but results of drill stems tests are not yet available. No. 4 is located about three quarters of a mile southeast of No. 1 (located on map). No. 5, a westerly offset of No. 1, is now approaching the productive Devonian formation in its drilling. Imperial Leduc No. 6 well is to be drilled as a northerly offset to Imperial No. 4. No well drilled has yet proven a "dud" and the structure is thus open in all directions.

Not a One-Company Field

Although Imperial Oil has done all the drilling in the area so far, Leduc is far from a one-company field. Imperial Oil wants others to participate in developing the area And from present indications there is a great competition among other oil companies—small and large—to secure acreage for drilling.

McColl-Frontenac, Gulf Oil and Anglo-Canadian are among companies holding large reservations in the general area. Apart from these, a great many other well-known names in the oil business—Home, Okalta, California Standard, Coastal Oils, Homestead, etc. — have been able to acquire acreage in the more immediate Leduc vicinity. Best available information on companies and holdings in the immediate area are shown on the accompanying map.

The holdings secured by the "independents" close in represent for the most part freehold ground held by farmers since late in the last century. The ground is excellent farming country. Some prices paid for acreage have been formidable, it is reported, although prices have not usually been given out. One western oil company, with close-in acreage, is said to have turned down a cash offer of $500,000 for 320 acres it holds.

Numerous companies besides Imperial are expected to embark on drilling programs shortly.

While the immediate Leduc area has been the focus of interest, broader possibilities for further fields around Edmonton are being canvassed carefully, particularly by Imperial. To test for other oil pools, Imperial has other wells either drilling or scheduled to commence drilling shortly.

They are:

(a) **Battle Lake.** A deep test is to be put down 35 miles southwest of Edmonton, 15 or 16 miles southwest of Leduc.

(b) **Morinville.** A test well is to be put down at this location, 20 miles north of Edmonton.

(c) **Looma.** Imperial Looma No. 1 well will be drilled at a location 10 miles east and two miles north of Leduc (south to southeast of Edmonton).

(d) **"X" location.** A test well is to be put down at a location to be announced shortly.

Oil fields have been notoriously hard to find in Canada. But if Leduc provides a clue as to where they may be found — on the plains of northern Alberta — finding of further fields may not be as long-drawn-out a process as might be thought. The Devonian formation from which Leduc oil comes is the prime producer of oil in the United States The fact it has now been proven productive on the Alberta plains may be a turning point in Canadian oil history.

Urge Farmers Speed Delivery To Elevators

From Our Own Correspondent

WINNIPEG — Unless farmers speed up elevator deliveries of the marketable residue of their 1946 crop, there may be difficulty in filling overseas commitments by July 31, end of the current crop year, George H. McIvor, chief commissioner of the Canadian Wheat Board, has warned.

The Board estimates that 230 million bushels of wheat and flour will have been exported from Canada in the crop year. Up to May 1, 169 million bushels had been shipped, leaving an estimated 61 million bushels still to go, the bulk of it on the 160-million bushel contract for Britain.

The Wheat Board became concerned about prospects of supplying sufficient wheat to Britain about the beginning of April. When the boxcar situation improved, wheat started to move from country elevators more rapidly than it was going in. The more plentiful supply of cars improved supply in the terminals; and once navigation opened, the flow increased overseas. For the time being this was satisfactory but the Board feared that supplies might dry up before July if country elevators were not replenished.

Answer to the problem is back on the farms, where at end of March there was an estimated 64 million bushels left of the 1946 crop. At that time, March 28, there were 68 million bushels in country elevators. By May 16 elevator stocks had dropped to 35.5 millions and meanwhile 19 million bushels had come forward from the farms. Between April 1 and May 22, farm deliveries were 22.5 million bushels.

Spring farm deliveries have been good; considerably higher than last year; but the British wheat position is not good, and co-operation of those who have undelivered wheat is needed.

Vancouver to Fore As World Seaport

From Our Own Correspondent

VANCOUVER — Vancouver's rapid growth as a seaport, and its importance in the foreign trade lines of the world were outlined by K. J. Burns, port manager, at a luncheon aboard the Union Steamship's S.S. Chilcotin, in Vancouver harbor during Foreign Trade week.

From 1921 to 1946, total export tonnage increase was 577%, he said, from 329,906 to 2,233,219.

Inward cargoes totalled 1,680,229 in 1946 and 669,757 in 1921. Number of ships rose in the period of 1921-1940 from 11,874 to 26,571.

CHESKIRK MINES completed holes C-7 to C-10, inclusive on its Lynn Lake, Man., holdings in first half of May. Well-mineralized sections, consisting of sulphides occurring in hornblende schist, were obtained but assays will not be available until termination of break-up in June. Hole C-11, a vertical boring, now drilling, has encountered mineralized sections at greater depth than previously. Detailed geomagnetic survey is being carried out on an anomaly outlined near west boundary, prior to drilling.

Must Trade Two Ways With World, Canada Told

From Our Own Correspondent

VANCOUVER — Canada today stands at a crucial point in her commercial history, with two alternatives facing her: Trade, or Else.

1. "Trade." If she can continue to export, and import, at her present rate, she has nothing much to worry about economically for growth and full employment.

2 "Or Else." In this case (that is, if she doesn't find means of selling foreign and buying foreign on a fairly large scale) any one or all of the following things may happen: she may "sink into a state of totalitarianism"; she may become "a nation of peasants"; she may see the "lines of unemployment lengthen."

Delegates to the fifth national foreign trade conference of the Canadian Chamber of Commerce, held in Vancouver last week, heard these warnings voiced a dozen times in a dozen different ways. But stripped of their length and their ornaments, the speeches, politely given and politely received, meant just one thing: Canada, as she is today, hasn't the ghost of a chance to live a self-sufficient life. She must trade two ways with the world, and trade a lot, or sink into the multiple miseries of economic depression and general impoverishment.

The gathering, attended by delegates from 16 nations, including Britain, Russia, United States, Canada, Brazil, Australia, the Netherlands, Greece, New Zealand, Czechoslovakia, China and Venezuela, called for an international reciprocal trade policy, and disapproved of government dictation of trade policies.

"Bilaterism," the policy committee reported "leads to blocks in the arterial flow of world trade; and these, in turn, lead to state trading and barter deals, which tend to restrict rather than expand trade. This conference believes that bilateralism and state trading are conducive to, if they do not actually foster, economic warfare, whereas private competitive multilateral trade helps create an efficient and peaceful trading world."

No one—and there were a lot of experts on hand to give their views—was able to come up with any easy formula of how full-scale foreign trade is to be made a permanent fixture for Canada. That, apparently, is up to the International Trade Organization. In any case, the conference was not called to solve, in three short days of talking, the whole future of the country's foreign trade relations. Consequently, no one attempted it.

Chemical Concern Buys Lever Bros. St. Stephen Plant

From Our Own Correspondent

FREDERICTON — Purchase of Lever Bros. Ltd. St. Stephen plant by Senator F. W. Pirie, Grand Falls, for manufacture of industrial and technical grade chemicals, was announced here this week by Dr. H. J. Rowley, chairman of the New Brunswick Resources Development Board.

The new company, which will use minerals found in New Brunswick as source materials, will also employ processes and procedures in manufacture which were developed by the staff of the Resources Development Board in the last two years, Dr. Rowley said. The plant will go into production as soon as new equipment can be installed. Rearrangement of existing equipment in the plant, which has been closed down for some months, will also be necessary.

In addition to the St. Stephen plant, Dr. Rowley said, several small mineral procurement operations will be conducted elsewhere in the province, providing employment for a considerable number of workers.

Continue Fight Against Powers Of Wheat Board

From Our Own Correspondent

WINNIPEG—Jeremiah J. Nolan, Chicago, has lost the first round of his legal battle against enforced delivery of wheat and barley to the Canadian Wheat Board; but he plans to carry the case farther.

When Nolan forbade Hallet & Carey, Winnipeg grain dealers, to deliver 40,000 bushels of his barley to the Wheat Board, the dealers filed an interpleader application, asking the courts to instruct them as to their course.

Mr. Justice Major in Court of King's Bench dismissed the application holding that "as the law stood" he had no other course. Next day Nolan issued a writ against Hallet & Carey asking an order for delivery of warehouse receipts and other documents of title to his barley, or in the alternative damages.

Unless a special appointment is obtained during the summer vacation of the courts, the action is not likely to be tried until next fall.

Mr. Justice Major said it was "unfortunate that a firm of grain brokers which held grain for a client claiming delivery, is at the same time faced with a claim for the grain by the Canadian Wheat Board, and is unable to come to the courts for protection."

The immunity from legal action, except with its consent, enjoyed by the Crown and its agents, was the ground for Mr. Justice Major's decision. Counsel for the Wheat Board contended that the Board was a servant of the Crown and as such was not subject to the interpleader proceedings at all.

N. Z. Seeking Pointers Here On Aluminum

MONTREAL (Staff) — New Zealand is reported interested in establishing an aluminum industry. Walter Nash, Deputy Prime Minister and Minister of Finance, this week flew from Europe to Arvida to have a look at low-cost producer, Aluminum Co. of Canada.

Mr. Nash's trip was for the primary purpose of having a look at the Aluminum plant, since he was scheduled to fly on to New Zealand in a day or two. Aluminimum Ltd., parent of Alcan, has no aluminum interests in New Zealand at present, it is stated.

Russia also made aluminum news this week. A Reuter's dispatch reported large bauxite (raw material for aluminum manufacture) deposits have been discovered in a remote corner of Siberia.

It is thought here, however, that these may not represent newly discovered deposits since Russia was known to have had large deposits of the mineral for some time. According to authenticated reports, Russia is pushing its way to the front as an aluminum producer. Last year its production was reported to be 100,000 metric tons. (Alcan produced 176,000 tons in 1946.)

Rand Service Stores Six Months' Sales Up

Total sales of Rand Service Stores (Canada) Ltd. were $144,129 for the six months' period of Sept. 15, 1946, to Mar. 29, 1947, President David S. Kaye stated. This represents an increase of 40% from sales of $104,250 for the same period last year.

Directors declared an interim dividend of 10c. a share, payable June 30, 1947. Sufficient profits were made in the six months' period to warrant payment of this dividend Mr. Kaye stated.

Additional machinery recently purchased is now in operation at the plant, in expectation of further sales increases. A store expansion program is being speedily pushed, with negotiations under way for the acquisition of attractively located stores, Mr. Kaye stated. Recently, a new store was acquired, bringing the total to 27.

Coal Strike Settlement Requires Harder Work

Now that the coal dispute is settled, Canada can count her army of strikers in the hundreds instead of the thousands. As the week ended, there were but 12 strikes in effect, involving about 2,200 workers. The week before, nearly 17,000 were idle.

The Maritime coal strike had cost the miners close to $10 millions in wages; and after looking over the settlement terms, they appeared to have little to show for it. In fact, their leaders had retreated on the main issue: tying wage increases to production.

Originally, the leadership refused even to consider the question of increased production. This was a company problem, not one for the union or employees. But now union chiefs are urging the miners to play their full part in raising production to the pre-war level of 2.5 tons per man shift. In the Glace Bay district, it had fallen to 1.4 tons.

Originally, the union leadership asked for a raise of $2.50 a day, to bring Maritime rates up to the level of Western Canada. They settled for $1 now and 40c later, if production is increased to pre-war levels. The irony of it is that they could have had this without going on strike at all. There were other minor adjustments, but they also could have been worked out without strike action.

The second chief issue was the welfare fund; but this appeared to have been no great obstacle, in view of the fact that the province had agreed to do something in the way of a three-way contributory plan: Nova Scotia, out of its coal royalties; the coal operators and the miners.

Midweek Picture

That left the Lachute textile strike, the Toronto Moffat strike and the walkout at the Ottawa Car and Aircraft as the most serious tieups. Here is the strike box score at midweek:

Toronto: Moffat Ltd. stove manufacturer tied up for seven weeks. Settlement terms reached by negotiating committee rejected this week by men. Most of original 600 strikers have other jobs.

Southam Newspapers: began June, 1946; no sign of settlement.

Ottawa Car and Aircraft: began in February, involving about 225. Back to work movement started. Police and pickets clash frequently.

Merritt, B.C.: Coldwater colliery; began January; only 12 now involved.

Lachute, Que.: Ayers Woollen Mills and Dominion Shuttle; originally involved 750; now less than 200 still on strike.

Chambly Canton, Que.: Bennett Ltd. and Lynn Inner Sole of Canada; began February when 270 quit. Slightly more than 100 still out.

Port Credit, Ont.: St. Lawrence Starch Co.; began in April; 250 still out.

Eastview, Ont.: 25 civic employees struck, May 2.

Regina: McGavin Bakeries; began March, 90 bakers still out.

Fort William-Port Arthur: 400 carpenters out since beginning of May.

Ottawa: 65 sheetmetal workers still out.

Toronto: 250 construction laborers quit week ago; still out.

DIVIDEND NOTICES

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable June 16th, 1947, to shareholders of record at close of business June 5th, 1947.

W. S. BARBER, Secretary-Treasurer.

Canadian General Electric Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of two dollars per share for the quarter ending June 30, 1947, has been declared on the Common Stock of the Company.

The above dividend is payable July 1, 1947, to shareholders of record at the close of business June 14, 1947.

By Order of the Board.

W. H. NESBITT, Secretary.

Toronto, May 23, 1947.

Grain Prices

Winnipeg Grain Futures

Week to May 26, 1947

Crop year from Aug. 1, 1946 High	Low		High for week	Low for week	Close May 26
		Oats*			
.65	.65	May	.65	.65	.65
		Barley*			
.95	.95	May	.95	.95	.95
		Rye			
3.52	2.11⅞	July	3.33	3.23	3.28¾
2.59¾	1.18½	Oct.	2.59¾	2.45¾	2.58½
2.43⅞	2.23¼	Dec.	2.43⅞	2.26½	2.42⅛

*At ceiling.

Cash Quotations

	For Week May 26 High	Low	Prev. Week High	Low
Oats*				
2 C. W. ..	.65	.65	.65	.65
3 C. W. ..	.65	.65	.65	.65
Barley*				
1 Feed ..	.95	.95	.95	.95
2 Feed ..	.95	.95	.95	.95
Rye				
2 C. W. .	3.58½	3.50½	3.58¾	3.50½

*At ceiling.

JAMES RICHARDSON & SONS LIMITED

Grain Merchants Shippers and Exporters

HEAD OFFICE WINNIPEG MANITOBA

OFFICES THROUGHOUT CANADA

FEDERAL GRAIN LIMITED

OPERATING TERMINAL ELEVATORS • FORT WILLIAM • PORT ARTHUR • VANCOUVER
436 COUNTRY ELEVATORS THROUGHOUT THE WEST
113 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

Western Grain Co. Ltd.
WINNIPEG, CANADA
275 Country Elevators and Terminal Elevator at Fort William
SERVING THE PRODUCERS OF THE PRAIRIE PROVINCES
Shippers and Handlers of All Grains

RELIANCE GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg

GRAIN
LINSEED AND SOY OILS AND MEALS
MASTER FEEDS
Also owning and operating The Sarnia Elevator Co. Ltd., Sarnia, Ontario.
TORONTO ELEVATORS Limited

THE CANADIAN CONSOLIDATED GRAIN COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

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• SPECIALISTS IN FORAGE AND PEA SEEDS
• MANUFACTURERS OF FRESH "VICTORIA" LIVESTOCK FEEDS
Canada's Most Complete Farm Service

McCABE GRAIN CO. LTD.
FORT WILLIAM • PORT ARTHUR • WINNIPEG • ST. BONIFACE • BRANDON • REGINA
SASKATOON • EDMONTON • CALGARY • VANCOUVER • DULUTH • MINNEAPOLIS

FOR SALE
By Sealed Tender
(CROWN-OWNED SURPLUS)
S.S. "FORT ALABAMA"

DESCRIPTION:
10,000 deadweight ton oil-burning Victory-type vessel, built by Burrard Drydock & Shipbuilding Company, Vancouver, in August, 1944 and operated by the United Kingdom Ministry of Transport as a "victualling stores issuing ship," and now being returned to Canada.
Length BP 416' 0"; breadth moulded 56' 10½"; depth moulded 37' 4"; gross tonnage 7202, net 4007; load draft 26' 11½"; 4 decks.
This vessel is now lying at Montreal and may be seen by prospective tenderers.

TERMS AND CONDITIONS
Offers to purchase are invited subject to the following conditions:
(a) No tender will be considered of less than $600,000.00, Canadian Funds;
(b) The vessel to be delivered to the successful tenderer between approximately June 17th, 1947 and July 17th, 1947 at a Canadian port to be named by the Seller;
(c) The vessel will be delivered to the successful tenderer "as is, where is" but classed by a recognized classification Society;
(d) The successful tenderer to purchase all coal or fuel oil, lubricating oils and unbroached consumable stores on board the vessel at the time of delivery at the market price prevailing at the port of delivery;
(e) The successful tenderer to operate the vessel under Canadian registry;
(f) Sale of the vessel subject to approval by Order in Council;
(g) All tenders must be accompanied by a certified cheque or bank draft for 10% of the tender price, made payable to War Assets Corporation, and addressed as follows:

TENDER FOR S.S. "FORT ALABAMA"
10,000 TON OIL-BURNING VESSEL
PARK STEAMSHIP COMPANY LIMITED
276 St. James Street West,
Montreal 1, Que.

Tenders will close at twelve o'clock noon, Eastern Daylight Saving Time, June 17th, 1947.
Tenders received after closing time cannot be considered. The highest or any tender may not necessarily be accepted. Cheques or bank drafts will be returned to unsuccessful tenderers.
Further particulars may be had by applying to:
PARK STEAMSHIP COMPANY LIMITED
276 St. James Street West, Montreal 1, Que.

MOVING
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STORING
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A SIZE AND STYLE . . . . FOR EVERY PURPOSE

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ALL CANADIAN COAST TO COAST

The
Wawanesa
Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets...	$6,784,348.81
Surplus	3,180,060.58
Dom. Govt. Deposit	2,378,615.74

Write for Financial Statement

Head Office: WAWANESA, Man.
Eastern Office: TORONTO, Ont.

Branches
VANCOUVER, SASKATOON
WINNIPEG, MONTREAL

TEMISKAMING MINING CO. net profit was $7,905 in year ended Mar. 31, 1947, ($7,824 in previous year). Current assets were $155,089 and liabilities $4,655.

MONTREAL SHIPPING CO. LTD.

Regular Ocean Freight Service
to and from Eastern Canadian Ports
Via the following lines

MONTSHIP LINES LTD.
Western and Central Mediterranean
BLUE PETER STEAMSHIPS LTD.
Newfoundland
MOORE-McCORMACK LINES INC.
Brazil—Uruguay—Argentine
CANADA SOUTH AFRICA LINE LTD.
South Africa

CANADA CONTINENTAL LINE LTD.
France—Belgium—Holland
Joint Agents
MARCH SHIPPING AGENCY LTD.
276 St. James St., Montreal

GENERAL AGENTS
MONTREAL SHIPPING COMPANY LIMITED
330 Coristine Building, Montreal, Canada
345 Church Street, Toronto, Canada
Branch offices
Halifax, N.S. — Saint John, N.B.
Consult your freight forwarder or the above offices for sailings and rates.

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Incentive Plans and Job Evaluation
Foremen and Supervisory Training
Personnel Selection, Placement and Training
Cost, Production, and Budgetary Controls
Sales, Distribution and Markets
Surveys of Operations

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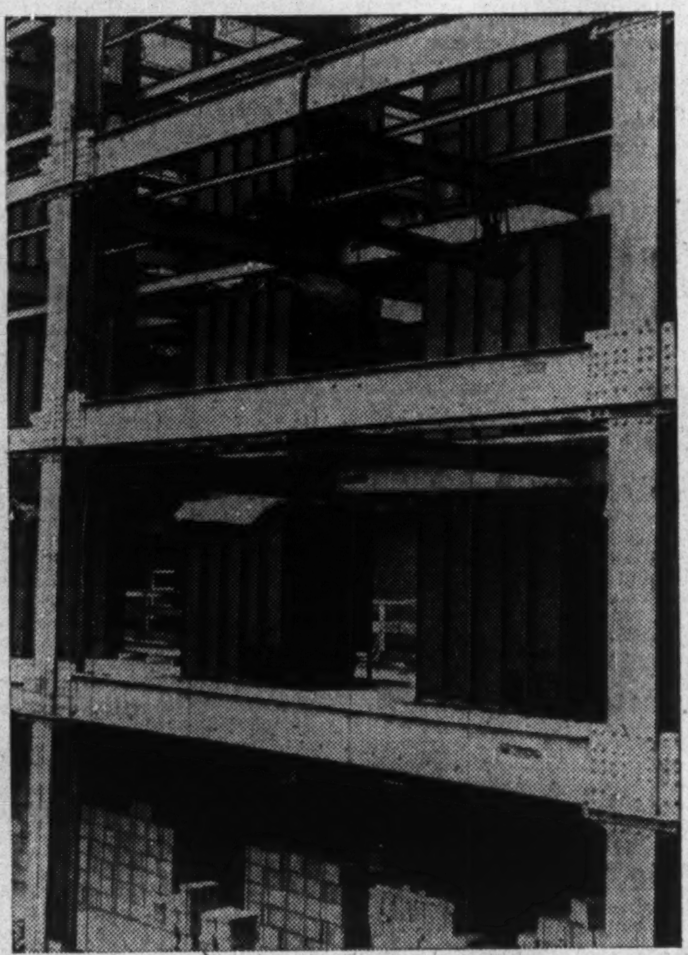
LIMITED
15 Wellington St. W., Toronto, Canada

J.D.Woods, *President* W.L.Gordon, *Managing Director*
Ralph Presgrave • J. G. Glassco • J. A. Lowden
G. P. Clarkson • D. M. Turnbull • B. H. Rieger

Industrial Engineers and Consultants

Mass Builder of 'Packaged' Bathroom Rathgeb Sells 2,100 in Six Months



World's first factory-built bathroom—being turned out, walls and all, 15 a day in a St. Catharines, Ont., factory—is installed in Montreal's new 1,100-room Laurentian Hotel.

You don't have to buy your new car a piece at a time and then hire mechanics to fit wheel to chassis, piston to engine block.

Neither will the average home-owning family buy its 195X model house that way if a mass-building Canadian can be found to take up new techniques being developed by the Henry Fords of housing.

Far in the van in Canada's "better building" movement is big, fast-moving Charles C. Rathgeb of Canadian Comstock and his factory-built "packaged" bathroom.

In a converted war factory at St. Catharines, Ont., 15 bathrooms are coming off a highly organized line every 8-hour shift. Every one has structural framing, surface finish and plumbing complete to the last tap washer. About 1,500 of the bathrooms have been manufactured, more than 1,300 installed, nearly 2,100 sold, since the operation began last fall.

100% Union Operation

The 140 men making it tick—and that includes 120 dues-paying trade unionists—say they're getting a great kick out of it. The feeling is understandable. Quite a few architects, builders, housing finance officials and qualified building observers have begun to call it the most daring and promising effort yet in the so far sluggish drive toward cheaper, better homes for more Canadians.

Highlights of the new industry:

Company—St. Catharines Steel Products, President C. C. Rathgeb (Toronto), Vice-President and Manager D. B. Sommerville (St. Catharines), eight months old, Ontario incorporated, affiliated with Canadian Comstock, which is a long-established contractor for mechanical installations in factories, mines, buildings, ships, and also headed by Rathgeb. No public stock issue contemplated. St. Catharines Steel is manufacturer, Comstock the distributor.

Product—World's first factory-built bathroom. A room structurally complete, fully equipped, ready to use within couple of hours of delivery. "Mechanical core" patents applied for United States and Canada. Comstock has Canada and Empire manufacturing and sales rights and Borg-Warner's Ingersoll division, Chicago, has United States and other world rights. Comstock uses trade name "Unitility," starts with bathroom alone but plans to add heating plant, kitchen and laundry equipment to produce a complete mechanical house core in four sections, (The Financial Post, Nov. 24, 1945).

(Much different, Borg-Warner's "Ingersoll Utility Unit" comes in 42 pieces, together or a few at a time, as a working heart plus appliances and fixtures. With 1947 production target of 40,000 complete assemblies, Borg-Warner claims more orders than it can fill this year.)

Comstock's "Unitility" bathroom, 1,500 lb., is installed mostly by "riggers" and common laborers; connected by plumbers and helpers. In a tall building, it's elevated by derrick, rolled to position. In two-story house, elevated by ordinary block and tackle before wall closed. For bungalow, rolled onto subfloor before framing or bricking.

Steel Frame and Floor

Room frame is of welded ⅛-in. steel angles, channels. Door frame, roll-formed sheet steel. Door, wood or plywood. Walls, ceiling (inside finish), either sheet aluminum with baked enamel color finish, or a hard fibreboard with glossy, permanent color finish of plastic, such as Howard Smith Paper's "Arborite." Floor is linoleum over steel plate. Water pipe and fittings, copper throughout. Tubs and lavatory, porcelain-enamelled pressed steel, from Briggs, Detroit, via James Robertson Co., Toronto, and Empire Brass, London, Ont. Toilet bowl (vitreous china), tank and seat, copper and other pipe, fittings, materials bought variously through Crane Ltd., and from Mueller Ltd., Anaconda American Brass etc., via jobbers.

Price (Approximate average for quantity order f.o.b. St. Catharines)—"Deluxe" model $600; "Economy" $500, or roughly same as site-assembled room and equipment. But savings claimed through "better quality, reduced installation time, earlier revenue-occupancy of building. With present output tripled, might shave prices to under $525 and $425. Overhead is roughly constant, plant space and process pattern adequate for such expansion.

Bathroom is shipped by rail (7 in a car) to Montreal at a cost of approximately $20. Toronto $9.94, Fredericton $26.57, Vancouver $96.34. By highway (5 on truck trailer), recent charges $10.40 to Kitchener-Waterloo, Ont., about $9.40 to Toronto. No highway shipments to Montreal; Prescott subway too low.

Production—15 a day (single eight-hour shift), 75 a week (five days), 300 a month (21 days), total about 1,500 since start last fall.

Factory assembly, as opposed to ordinary on-job assembly, demonstrates better pipe fitting and construction with advantages of controlled temperature and other conditions—especially important in such operations as soldering—cleanliness, precision precutting and assembly of pipe and other parts, readiness to hand of power tools, accurately dimensioned and standardized materials.

Plant, 130,000 sq. ft., has one assembly line (rated capacity 20 a day), room for two more like it. Not a chain-powered continuous-movement line as in auto plants. Each bathroom free-wheels on heavy castors, is moved when ready, pushed aside if work on it falls out of step. Layout includes systematized stockrooms, fully equipped shops for precutting pipe, fittings and structural parts, and for welding, power-handtool subassembly, painting, water pressure testing, etc.

Personnel—Working force 126 men, 100% union organized and on union scale wages and hours. Carpenters 24 and helpers 16; electricians 2; machine operators 8; material handlers 10; shippers 9; painters 8 and helpers 2 and their cleaners 11; plumbers 8 and helpers 10; welders 9 and helpers 7; other 2.

Markets—Ultimately, and perhaps before 1950, the farmer improving his home, the urbanite building for himself and the builder putting up a few speculative houses, all may be able to buy the new factory-made bathrooms. But, for the present, sales will be to mass-builders of houses, or for large apartment blocks, hotels, hospitals, "company towns" and the like, in lots of 25 and up. Comstock now is selling direct; has not yet defined future distribution policy.

See Farmer Market Ready

Domestic sales prospects are considered bright. The farm market, particularly in Ontario, appears rich and ready. The north country looks attractive too, with mechanics and supplies scarce in many sections where paper and mining companes have major housing developments under construction or planned.

Export possibilities are not overlooked. Comstock has enquiries from United States, Mexico, South America, China and European countries: says the number and substance of these enquiries "indicate a potential market abroad for literally thousands of Canadian bathrooms." But the Government's order for the Ambassador to China is the only export business accepted so far. Prior need in Canada is given as the main reason.

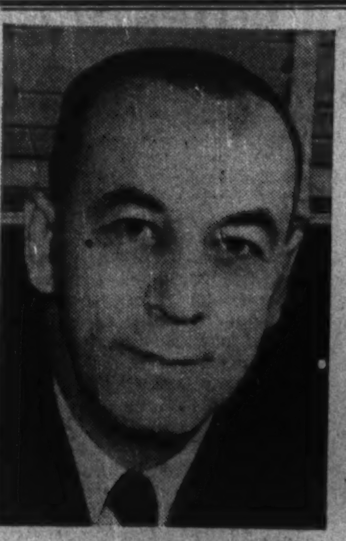
Opposition — None recorded, surprising in view of wide belief and some earlier evidence that union locals object actively to almost any move toward more standardization and factory building, or toward local acceptance of new materials and methods.

Here's the gist of surprisingly enthusiastic statements to The Post by prominent plumbing unionists.

"Diehard oldtimers who will fear and oppose the innovation are few and scattered, though a depression of any consequence could strengthen local opposition to 'importation' of virtually finished plumbing work. Unitility idea, method and product are all to the good; represent major advance for better plumbing installations

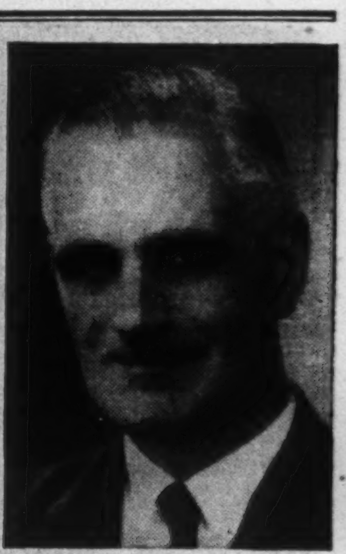
Sales—Orders to date total 2,092 bathrooms, of which 1,342 have been shipped. Here are first "Unitility" customers:

Customer and Project:	No. bathrooms ordered	No. shipped	Installed by
Fredericton, 157-room Lord Beaverbrook hotel. Owner, Provincial Govt. Management, Ford chain. Builder, Lorenmount Construction (Ford-owned).	157	157	Builder
Montreal, 22-story, 1,100-room Laurentian hotel. Owner, Laurentian Hotel Ltd. Ford chain. Builder, Wilson Contracting (Ford-owned). Mechanical trades, Thomas O'Connell Ltd.	1,100	1,100	O'Connell
Montreal, 384-suite "Benny Farm" apt. project. Owner, Housing Enterprises of Canada. Builder, Mount Enterprises. Mechanical trades, Cndn. Comstock.	25	25	Comstock
Waterloo, Ont., 50-house row. Owner, Housing Enterprises. Builder, Yates Construction. Mechanical trades, Candn. Comstock.	50	50	Comstock
Vancouver, 10 prefab. houses for Canadian Embassy, Nanking, China. Owner, Dept. of Trade & Commerce. Builder, Precision Housing.	10	10	Builder
Ottawa, 400-suite apt. project. Owner, Wartime Housing (shift from Housing Enterprises).	400	none	Contracts pending
Hamilton, 350-suite apt. project. Owner, Wartime Housing (shift from Housing Enterprises).	350	none	Contracts pending
Totals	2,092	1,342	



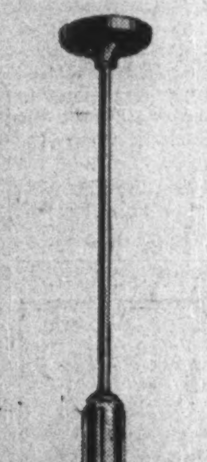
JAMES McKENZIE

CHARLES D. BAILEY

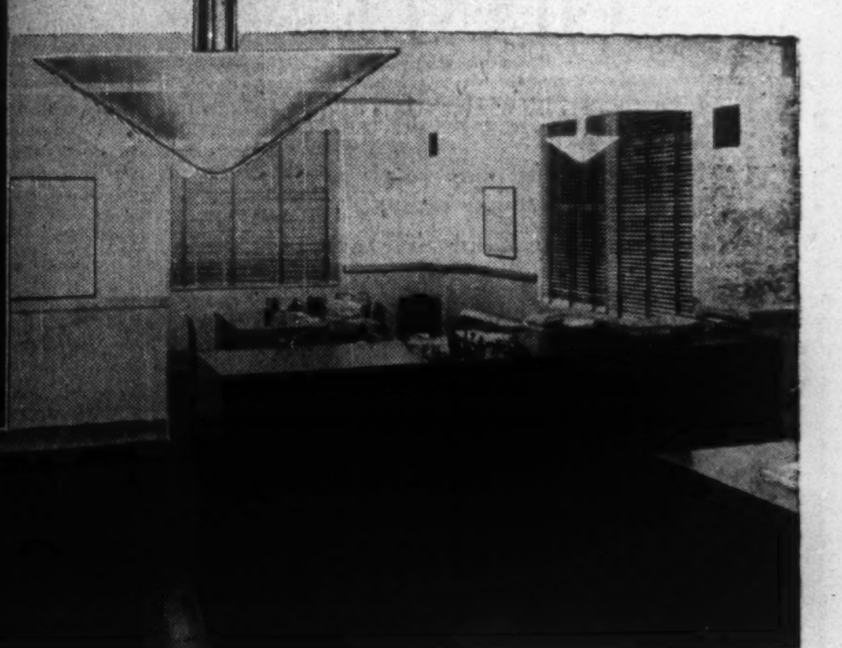


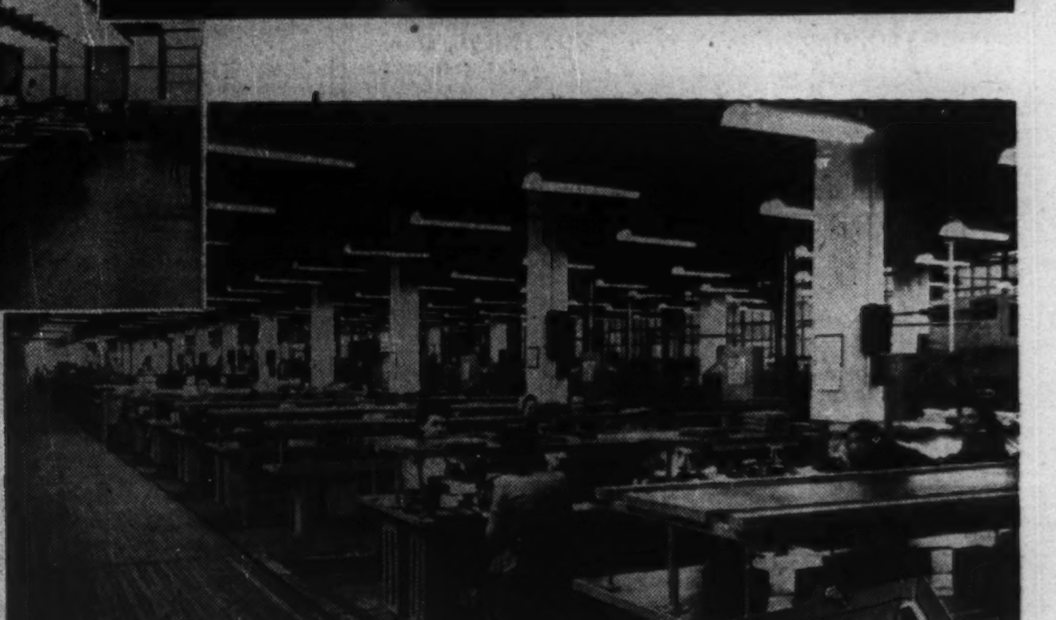
T. H. BROADHURST

Appointment of Mr. James McKenzie as Executive Engineer of the General Engineering Division of John Inglis Co. Limited is announced by James E. Hahn, president of the company. Formerly Chief Engineer of the Division since 1938, Mr. McKenzie will now act in an advisory capacity to the Management. Charles D. Bailey, who succeeds Mr. McKenzie as Chief Engineer, has been Assistant Chief Engineer since 1946 and was previously with Dominion Bridge Co. for 17 years. T. H. Broadhurst is now Mechanical Engineer of the General Engineering Division and will specialize in machinery for the pulp and paper industry. Mr. Broadhurst has been associated with Edward Lloyd Co. Ltd. at the Kemsley mill in Kent, England, for the past ten years and was previously connected with Dominion Engineering Works Ltd. and Walmsleys (Bury) Ltd.



Westinghouse
MAGNALUX
LUMINAIRE
No appointment in a fine building or office reflects efficiency and character more than the lighting. "Magnalux" provides scientific light diffusion plus variety of styling to suit the premises.





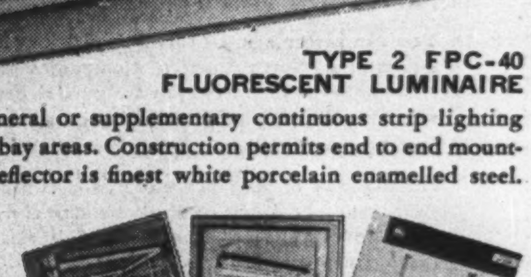
TYPE W160
FLUORESCENT LUMINAIRE
Semi-direct, general diffusing Luminaire for individual ceiling or suspension mounting. Outer louvres are of "Skytex" glass; inner louvres are "Luminex" glass. Carries 4-40W lamps. Type W80 Luminaire carries 2-40W lamps.

TYPE 2 FPC-40
FLUORESCENT LUMINAIRE
For general or supplementary continuous strip lighting in low bay areas. Construction permits end to end mounting. Reflector is finest white porcelain enamelled steel.

SCIENTIFICALLY DESIGNED LUMINAIRES
Westinghouse Luminaires will transform the working conditions of your premises to the correct intensity of light, for any purpose, without shadow or glare. Immediate dividends make correct lighting one of the most profitable investments any business can possess.

Cheerful working conditions promote more and better work - - "ups" production - maintain worker's "pep" - reduce let-down fatigue. Riddance of eye-strain prevents mistakes, reduces wastage, eliminates sub-standard work - permits the most efficient use of floor space.

Electrical distributors across Canada, either carry Westinghouse Luminaires in stock, or can get immediate delivery.



Westinghouse
Sales Offices:
VANCOUVER, CALGARY, EDMONTON, REGINA, SASKATOON, WINNIPEG
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A request on your letter head will receive prompt attention.
Lighting Div. Canadian Westinghouse Co. Limited, Hamilton, Ont.

In your own interests do two things—

1. Determine the value of your property at today's values.
2. Review the adequacy of your present insurance protection.

Then—phone us and increase your insurance in accordance with costs of today. Otherwise you risk serious loss.

HARRY PRICE INSURANCE AGENCIES LIMITED

Fraternal Societies Show Increases In Life Insurance in Force in 1946

Canadians bought $37.3 millions new life insurance from Dominion licensed fraternal societies in 1946 according to figures compiled by G. D. Finlayson, Dominion Superintendent of Insurance. This is a gain of about 29% over the previous year and is distinct from the $1 billion new life insurance bought from the regular "line" companies during the year.

Insurance in force with the societies at the end of 1946 totalled $268 millions, an increase of about 11% over 1945, these figures also being exclusive of the $10.8 billions of life insurance in force with the regular line Dominion licensed companies, at the year end.

The $268-million business is distributed over 42 societies of which 14 are Canadian, the balance having their head offices in the United States. The 14 Canadian societies, however, have $165 millions or about 62% of the total business in force. Both Canadian and U. S. societies showed gains in business in force and new insurance during 1946.

Operate Outside Canada

Five of the Canadian fraternals do business outside Canada—the Alliance Nationale, the Artisans Canadiens Francais, the Dominion General Benefit Association, the Grand Orange Lodge of British America and the Independent Order of Foresters. These five have about $91.8 millions of life insurance in force outside Canada.

At the annual meeting of the Canadian Fraternal Association recently Thomas Robertson, chairman of the fieldmen's section of the association and superintendent of fieldmen of the Independent Order of Foresters estimated that members of fraternal organizations in Canada and the United States totalled nine millions to which he attributed in part the friendly relations between the two countries.

He explained that the nine millions having "taken an obligation of brotherly love and adherence to the principles believed in by these fraternal societies . . . it is altogether likely these things have played a very important part in developing the friendship that exists between our people. Nine million people can be one of two things. It might be just a mass of nine millions; but with our fraternal organizations we have nine million people organized with the facilities through our lodge system of contacting them and molding their thoughts so that they can indeed become a mighty power for the betterment of conditions in the world today."

Following are figures of the 1946 business issued by the Dominion superintendent of insurance with comparisons for 1945.

Figures for both years are preliminary and subject to revisions.

Canadian Societies

	Net Insur. in Force 1946	Net Insur. in Force 1945	New Insur. Net 1946	New Insur. Net 1945
	$	$	$	$
Alliance Nationale*	53,764,580	47,545,491	9,182,807	6,760,400
Do., †	4,116,425	4,218,458	59,500	84,000
Do., ‡	57,881,005	51,763,949	9,242,307	6,844,400
Artisans Canadiens Francais*	41,092,953	39,226,283	3,323,600	3,486,550
Do., †	14,872,347	14,474,705	875,600	485,500
Do., ‡	55,965,300	53,700,988	4,199,200	3,972,050
Associated Canadian Travellers*‡	371,936	263,643	167,293	104,093
Canadian Woodmen of the World*‡	3,070,427	3,071,304	210,000	194,000
Catholic Mutual Benefit Ass'n*‡	2,033,452	2,091,689	33,000	13,500
Commercial Travellers' Ass'n*‡	6,159,386	▲	63,082	▲
Dominion General Benefit Ass'n*	1,829,400	....	776,000	......
Do., †	10,500	....	......	......
Do., ‡	1,839,900	....	776,000	......
Grand Orange Lodge of British America*	5,797,664	5,176,758	792,800	551,850
Do., †	121,469	123,415	2,000	3,000
Do., ‡	5,919,133	5,300,173	794,800	554,850
Independent Order of Foresters*	36,321,909	33,884,041	6,605,000	5,270,000
Do., †	72,739,847	69,995,575	7,563,000	5,411,500
Do., ‡	109,061,756	103,879,616	14,168,000	10,681,500
Italo-Canadians*‡	169,157	173,838	6,100	10,900
Sons of Scotland*‡	6,985,219	6,201,115	991,750	632,250
Ukrainian Fraternal Society*‡	1,381,800	1,296,050	99,000	87,250
Ukrainian Mutual Benefit Ass'n*‡	575,864	541,798	42,500	33,750
Workers Benevolent Ass'n*‡	1,971,250	1,619,350	506,400	551,500
Total, 1946*	165,782,019	145,260,563	22,844,467	17,726,013
Do., †	91,860,588	88,812,153	8,500,100	5,984,000
Do., ‡	257,642,607	234,072,716	31,344,567	23,710,013

*In Canada. †Out of Canada. ‡Total business. ▲Figures not available.

Foreign Societies in Canada

	Net Insur. in Force 1946	Net Insur. in Force 1945	New Insur. Net 1946	New Insur. Net 1945
	$	$	$	$
Aid Ass'n for Lutherans	3,271,529	2,776,346	541,750	307,500
American Mutual	369,652	404,580	......	......
American United	503,412	530,636	......	......
Ass'n Canado-Americaine	7,359,805	6,734,483	1,342,800	1,491,000
Brotherhood of Railroad Trainmen	15,006,313	14,940,441	1,005,750	828,000
Catholic Order of Foresters	10,325,455	9,910,825	1,014,500	721,500
Croatian Fraternal Union	3,600,400	3,272,900	290,200	131,200
Expressmen's Mutual	30,990	32,990	......	......
First Catholic Slovak Ladies Union	155,142	144,642	16,750	2,500
First Catholic Slovak Union	861,000	872,000	43,000	96,500
Jewish National Workers' Alliance	1,442,408	1,251,816	221,250	290,800
Knights of Columbus	27,736,044	25,387,630	4,124,500	3,484,000
Ladies' Catholic Benevolent Ass'n	168,055	173,055	......	......
Lutheran Brotherhood	700,032	674,032	52,400	18,537
Lutheran Mutual	252,602	256,519	......	......
Maccabees	19,994,672	17,395,107	4,722,811	2,925,312
Ministers Life and Casualty Union	1,986,366	1,641,119	339,500	223,500
Modern Woodmen	1,084,550	1,104,385	15,960	4,500
National Fraternal Society of the Deaf	263,856	275,994	5,750	7,250
National Slovak Society	289,798	300,912	......	......
Royal Arcanum	2,826,747	2,686,012	388,000	196,000
Slovene National Benefit Society	160,160	161,750	1,000	1,000
Sons of Norway	351,387	345,237	25,000	21,500
Ukrainian National Ass'n	1,107,758	939,008	196,500	154,000
Ukrainian Workingmen's Ass'n	341,865	320,250	46,500	79,500
Woman's Benefit Ass'n	2,014,454	2,002,029	96,700	119,641
Women's Catholic Order of Foresters	135,473	136,431	6,500	1,000
Workmen's Circle	172,600	180,000	......	......
Total, 1946	102,514,715	94,871,139	14,477,121	11,104,740
Grand total business in Canada	268,296,734	240,131,702	37,321,588	28,830,753

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

COMBINED ENTERPRISES increase in net profits of 198.93% to $117,720 in 1946, reflected inclusion of Conant Co. earnings for period July 31 to Dec. 31. Satisfactory business was enjoyed by all subsidiary companies and operations for the year showed total sales volume well in advance of the previous year, Chairman W. H. Wallace states.

Addition to plant of Stuart Brothers Co. was completed in May and consolidation of all operations under one roof has proved of definite benefit to the company. It has been possible to maintain satisfactory profits without any general increase in prices of company products, Mr. Wallace adds. Notwithstanding increased costs, the company reduced prices of some products and whenever possible will continue that policy.

The Snap Co. attained largest sales volume in its history. Since acquisition of Conant Co. in July, 1946, operations have been considered satisfactory, but due to short supply of raw materials, it has not been possible to meet demand.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	•1946	■1945
Net earnings	$222,435	$84,783
Less: Depr.	7,815	3,933
Income tax♦	104,361	54,147
Add: Sec. sale	7,461	12,678
Net profit*	117,720	39,380
Less: Pref. divd.	31,661	13,666
Surplus for year	86,059	25,714
♦Incl. ref. EPT	......	7,456

*Co's. report includes ref. EPT in net profit and surplus.

■Period from incorp., July 7, to Dec. 31, 1945.

•Incl. accts. of The Conant Co. Ltd. from July 31 to Dec. 31, 1946.

Earnings per Share and Dividend Record:

Pref.: Earned:		
Excl. ref. EPT	$15.19	†$6.85
Incl. ref. EPT	15.19	†8.15
Paid	5.00	2.50
Common: Earned:		
Excl. ref. EPT	0.86	†0.26
Incl. ref. EPT	0.86	†0.33
None paid.		

†Based on earnings from July 7 to Dec. 31, 1945; common, after deducting 6 months pref. divds.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$45,555	$26,111
Mkt. secs.	88,601	234,028
Accts. rec.	77,872	60,372
Inventories	295,544	224,106
Total curr. assets	507,572	544,617
Misc. assets▲	108,153	118,435
Trademarks, etc.	99,228	30,312
Fixed assets*	514,045	253,854
Total assets	1,228,998	947,218
Total curr. liabs.	150,241	153,380
Capital stock	825,000	625,000
Capital surplus	134,528	†135,668
Earned surplus▲	119,229	33,170
*After depr. of	87,389	47,697
▲Incl. ref. EPT	79,255	79,255

†Includes surplus of $108,130 arising from appraisal and revaluation of properties, less loss on disposal.

Working capital	357,331	391,237

CASTLE-TRETHEWEY MINES final decision to resume operations at Gowganda must depend upon world demand and the consequent development of a stable and satisfactory market price for silver, President Balmer Neilly states in 1946-47 annual report.

Repairs to buildings and equipment were undertaken in 1946. Prime necessity at the property is hydro-electric power, Mr. Neilly adds, and this involves a new transmission line or the rehabilitation of the line formerly utilized. The company reports being ready and anxious to proceed with reopening as soon as conditions seem to justify the necessary commitment.

Two groups of claims were staked in 1946, one group of 27 in the Groundhog River area and one of 18 claims in Holloway twp.

INCOME ACCOUNT

Years Ended Mar. 31:	1947	1946
Divs. earn. & exch.	$234,159	$224,378
Add: Sundry rev.	533	1,311
Less: Oper. exp.	8,665	1,614
Outside expl. w/o	8,308	......
Adm. & gen. exp.	17,123	16,925
Inc. & other tax.	21,940	22,883
Net profit*	178,656	184,267

*Before providing for depreciation.

Earnings per Share	$0.066	$0.068

No dividends paid.

CONDENSED BALANCE SHEET

As at Mar. 31:	1947	1946
Cash	$135,090	$216,709
Mkt. secs. after res.*	2,379,219	2,114,093
Accts. rec.	39	6,345
Total curr. assets	2,514,348	2,337,147
Oper. prepay.	860	860
Mining props.	662,528	662,528
Plant & equip.▲	112,351	112,351
Total assets	3,290,087	3,112,886
Accts., etc., pay.	4,137	3,472
Taxes payable	6,701	8,821
Cont. res.	50,000	50,000
Total curr. liab.	60,838	62,293
Capital stock	1,229,007	1,229,007
Surplus	2,000,242	1,821,586
▲After depr. of	197,031	197,031
*Market value	5,029,280	5,586,732
Working capital†	2,453,510	2,274,854

†Including securities at book value.

Sales Rise 15% For Hunt's Ltd.

Hunt's Ltd., sales in the current year are running about 15% ahead of same period last year, President H. W. Hunt stated at the annual meeting. Reflecting the improvement, the deficit profit and loss account of $17,462 as at end of 1946, has been replaced at March 31, 1947, by a credit account of $40,112.

First unit of the new building will be completed in June, although it is anticipated that it will be six to nine months before it will be in full operation. Some economies will be effected in the new plant, it is stated. Business at Orillia is exceeding expectations, and a contract for expansion of bakery has recently been let.

Unsatisfied Judgment Fund Financed By Insurers in B.C.

From Our Own Correspondent

VANCOUVER — Insurance companies, not the motorists of British Columbia, will put up the "unsatisfied judgment fund," when province's new automobile insurance laws come into effect probably next fall.

Car insurance firms have assured the government they will provide the $250,000 fund, at first expected to come from fees of $1 per motorist per year.

The law will not come into operation until all motorists have time to obtain special insurance cards which must be produced in case of an accident.

Cars of motorists, if in an accident, will be impounded until any judgments are satisfied. Damages will be paid out of the $250,000 fund.

Auto Elec. Service Sales at New High

Sales volume and net profit of Auto Electric Service Co. for the quarter ended Mar. 31, 1947 reached a new high, exceeding substantially the figures for the corresponding quarter of 1946, General Manager J. A. Stephen states.

Consolidated net earnings after income taxes amounted to $161,059 for the full year ending Dec. 31, 1946.

Working capital amounted to $485,437 at Mar. 31, 1947 as compared with $269,514 at Mar. 31, 1946, the interim report shows. Working capital amounted to $367,816 at the year end.

Class "A" 50-cent cumulative noncallable shares of Auto Electric Service Co. were offered last March at $10 a share by W. C. Pitfield & Co. Each five Class "A" shares carried a bonus of one common share.

N. S. Cuts Debt $19 Per Capita

From Our Own Correspondent

Halifax—Nova Scotia's capital budget, outlined by Premier Angus L. Macdonald, contemplates loan-financed expenditures of $31,429,246 — almost one third greater than current estimates. Only $15,365,446 of this will go for new projects, the balance being required for financing and retiring old loans.

Gross funded debt of the province stands at $105,779,633 against $104,917,513 in 1939; but net debt after deducting sinking fund provisions, advances to the Power Commission and "other investments and advances" is only $65,422,320 — a decrease of $11,435,963 in eight years.

Existing sinking funds stand at $13,207,919; advances to the Power Commission total $14,072,483 and other investments and advances $13,076,911.

"In seven years" Premier Macdonald said, "we have bettered our net debt position by an average of approximately $19 for every man, woman and child in the province. In seven years sinking funds have almost doubled in volume". The policy of increasing the amount set aside for sinking funds and new issues will be continued, he added.

More New Brooms To Sweep Clean

Canada's womenfolk appear to have gone back to house-tidying as their war jobs petered out.

At any rate, the Dominion Bureau of Statistics reports that the broom, brush and mop industry operated on an increased scale during 1945.

Production of 83 factories was valued at $10.1 millions—an increase of $1.1 millions over 1944. The industry employed 2,340 persons, up 176; they received $3,024,400 in wages and salaries, up $201,775. Materials used were valued at $4,418,618, an increase of $444,682.

There was an increase of 22,196 dozen in the output of brooms of all kinds, while the number of brushes produced was 305,089 dozen higher. Mops of all kinds increased by 18,433 dozen.

Ontario has 38 establishments, Quebec 32, Manitoba 5, British Columbia 5, Saskatchewan 2, Alberta 1, Nova Scotia 1, and New Brunswick 1.

$7.45 Per Share For Brewing Corp.

Net profit of Brewing Corp. of America for the six months ended Mar. 31, 1947 was $1,080,270 ($1,038,146 in the same period a year before). This amounts to $7.45 a share outstanding ($7.16).

Operating profit equalled $1,695,570 (which includes a non-recurring profit of $36,413).

TOWNSHIP OF NORTH GOWER, Ont. has sold $57,000 2¾% bonds due May 1, 1948 to 1962 to J. L. Graham & Co., Toronto. Cost to the municipality was a 2.75% yield basis.

FIDELITY Insurance Company of Canada

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NOTICE TO MACHINE TOOL DEALERS AND USERS!

INSPECTION AND BID SALE

of cutting tools, gauges, abrasives, etc. at

SCARBORO (near Toronto), Ont.

War Assets Corporation Warehouse No. 4

DATES OF SALE: June 17 - 18 - 19 - 20 (9.00 a.m. – 4.00 p.m.)

Subject to prior sale or withdrawal, War Assets Corporation will have on display at Warehouse No. 4, Scarboro, surplus materials as listed in part below. Offers will be received during the period of inspection, or may be forwarded to the Branch Sales Office at the address shown in the "Terms and Conditions" printed below.

PARTIAL LIST OF MATERIALS

ABRASIVES: Oil stones, Abrasive powder, Cloth discs, Wire & Cloth polishing wheels, Emery wheel & Diamond Dressers.

MILLING CUTTERS: Angle, Concave, Convex, Interlocking, Sidex Milling, Etc.

PUNCHES & DIES: Die sets, Steel stamps, Gasket cutters.

ARBORS & MANDRELS: Spacers, Adapters, etc.

TAPS: Hand, Pipe. **BITS:** High speed.

Boring Bars, Broaches, Carbaloy tips, Counterbores, Countersinks, Collets.

GAUGES: Caliper, Micrometers, Drill gauges, Feeler & Indicator gauges, Plug & Plumb gauges, Parallel rules & Sine bars, Snap ring & Radius gauges. Surface & spline gauges.

HOLDERS: Tool bit, Die, Socket, Reamer & driver.

REAMERS: Straight shank & taper shank.

SAWS: Metal slitting & blades.

DRILLS: Straight shank and taper shank.

CUTTERS, Milling.

Dies, Thread chasers, Tool holders, Wood tools.

TERMS AND CONDITIONS

1. The Corporation shall have the right to accept or reject any or all offers in whole or in part.
2. If an offer is accepted sale will be on an "as is, where is" basis without warranty of any kind except as to the Crown's title and will be subject to the other usual sales conditions of the Corporation.
3. On acceptance of offer purchase price will be payable in full. No trade or quantity discounts will be allowed.
4. Purchasers will be required to take delivery of merchandise sold (or to remove from the premises) at their own expense, within a time limit set by the Corporation.
5. It should be noted that, while the Corporation reserves the right to accept any offers made during the period of display or prior to such period, in general all offers received during the display period and/or before 5 p.m. June 27th, 1947 will receive equal consideration.
6. Offers must therefore reach the Corporation, at the address shown below, prior to 5 p.m. E.D.S.T., June 27th, 1947.

Offers should be addressed to: Branch Sales Manager, War Assets Corporation, 11 Jordan Street, Toronto, Ontario.

WAR ASSETS CORPORATION

235

WHEN YOUTH MEETS YOUTH

Confederation Life representatives have a youthful outlook. Many are young veterans who have been trained to call upon other young men to explain the financial security for themselves and their families.

They know the peace of mind that comes from having financial security for themselves and their families.

Nothing but life insurance assures so much immediate and future financial protection for so little. The great thing is to make a start with one policy; then build up additional security as your earning powers and responsibilities increase.

Before you insure Consult

The Confederation Life representative will help you to plan a practical program for immediate and future requirements.

Confederation Life Association

HEAD OFFICE TORONTO

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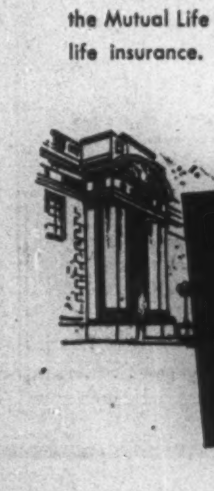
how much of my income should go for life insurance

The answer to that question will vary—depending on your age, your income, your responsibilities, your wants and expectations. Charting a sound insurance program requires the counsel of an experienced insurance advisor.

If your advisor is a Mutual Life of Canada representative, you get the benefit of Mutual Life's seventy-seven years' experience in adjusting life insurance to the income and circumstances of people in all walks of life.

Discuss your insurance needs with your Mutual Life man. Let him show you the special features that the Mutual Life of Canada has to offer in low-cost life insurance.



THE MUTUAL LIFE OF CANADA

HEAD OFFICE WATERLOO, ONTARIO

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Information, rates and reservations from any Canadian Pacific Air Lines office or Canadian Pacific Railway agents.

Canadian Pacific AIR LINES

Bankers Expect Steady Increase In Demand For Commercial Loans

Canadian business is using a steadily increasing volume of bank credit.

Reason for the increase, bankers say, is the larger volume of business being done on a normal basis. Stocks of many kinds of goods are said to be larger and, while in some cases prices have been reduced, in general the value of merchandise in the aggregate is higher than it was. Moreover as merchants and manufacturers are using their own funds in the form of demand deposits at the banks for plant and warehouse expansion they have to supplement their finances by borrowing.

Construction of new mercantile buildings alone, it is stated, is taking a substantial amount of money to finance, while businessmen are anxious to put dormant reserves to work where they can.

While bankers are watching their loans to see that credit is given not only where it is needed, but where the risk is reasonably sound based on the character, ability and resources of the borrower, they are anxious that no opportunity of expanding their loans should be missed. They would much rather have several millions of good loans earning 4 to 5% than an equal amount of gilt-edged investments without risk from which in some cases they get about one half of one percent.

Loans to Individuals

Efforts are being made in various directions to push bank loans not only among business concerns but among individuals. At the revision of the Bank Act in 1944, it is understood, the banks agreed to make borrowing of small amounts by individuals as easy as possible. And while all banks don't show equal aggressiveness in going after this kind of business, they are all organizing their method of operations to take care of it. In a number of cases this amounts to establishment of a schedule of monthly payments on the loan. Often the loans are made by the branch manager in his ordinary day's work. Others however have established regular small loan departments.

Some bankers while feeling the small loan business a nuisance to some extent, say they realize that it is a powerful means of developing good public relations. Many of the younger men they feel while not important customers today may be some day and they are anxious to keep their goodwill.

There has also been some demand for veterans' loans. Veterans generally get a sympathetic hearing when making applications for loans and if they can give any sound security they get a more than usually favorable rate.

Loans To Farmers

Apart from this, bankers are looking for marked expansion in the demands for farmers' development loans. Under the Bank Act the banks can now lend on the security of electrical equipment, machinery and implements purchased by a farmer and can also accept farm property as security for loans to build fences, farm buildings and improve land through drainage, clearing of bush, etc.

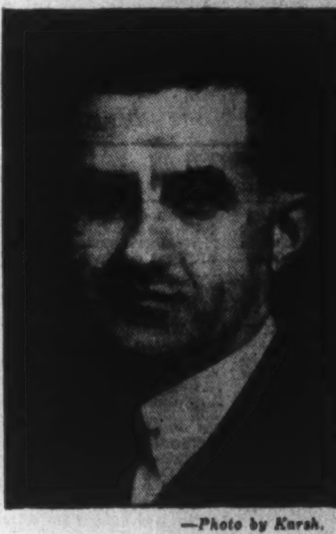
So far shortage of materials and finished articles have made it impossible to buy much of this class of merchandise. But as supplies become more plentiful, the demand for credit to finance purchases is expected to become stronger.

Loans to finance the purchase of automobiles also will become more plentiful, bankers expect, loans of this kind in most cases being made on the borrowers general credit at the current interest rates.

Here's how the current loans at the chartered banks on March 31 compare this year, last year, and in 1939:

CURRENT LOANS IN CHARTERED BANKS, MARCH 31

	1947	1946	1939
	$	$	$
Montreal	320,140,038	247,331,693	162,053,286
Nova Scotia	157,259,375	115,798,680	82,350,906
Toronto	88,362,404	60,151,346	40,032,180
Provincial	23,625,922	16,643,844	13,122,655
Commerce	272,341,051	219,625,744	158,610,879
Royal	314,093,083	231,217,759	192,102,036
Dominion	95,947,223	72,384,094	47,725,112
Nationale	100,466,948	69,324,156	48,728,741
Imperial	131,374,429	97,667,711	54,809,837
Barclays (Canada	3,376,333	2,608,257	1,031,745
Total	1,506,986,806	1,132,753,284	800,567,377



W. ARTHUR STEEL

—Photo by Karsh.

has been appointed Chief Engineer of the Federal Electric Manufacturing Co., Montreal, Canadian manufacturing affiliate of the International Telephone & Telegraph Corp.

Increase Seen In Bank Debits

Monthly Total Up 1% But Ontario Shows 13% Drop From Last Year

Financing transactions in Canada represented by cheques cashed at the clearing house centres in March were about 1% more than in the corresponding month last year, the total being $5.7 billions.

Four of the five economic areas shared in the gain, Ontario alone recording a decrease. Gains were Maritimes 5%; Quebec 15.6; Prairies 5.8%; British Columbia 21.4%. Ontario showed a recession of 12.8%.

Factors contributing to the advance were higher wholesale prices; a higher physical volume of business and employment. Common stock indexes, however, were lower.

For the first quarter of 1947, total bank debits were 3.2% over the 1946 period, gains in the economic areas being Maritimes 8.5%; Quebec 16.4%; Prairies 2.9% and British Columbia 18.3. Ontario debits declined 7.4%.

Figures for March with comparisons follow.

(Millions of $)	Mar. 1947	Feb. 1947	Mar. 1946
Maritimes:			
Halifax	67.3	59.8	62.6
Moncton	23.8	20.4	21.7
Saint John	39.0	36.9	39.3
Total	130.1	117.1	123.8
Quebec:			
Montreal	1,716.1	1,630.2	1,502.8
Quebec	160.5	124.4	120.6
Sherbrooke	16.5	15.0	14.9
Total	1,893.1	1,769.6	1,638.3
Ontario:			
Brantford	26.4	21.7	21.3
Chatham	22.2	20.7	13.6
Fort William	15.6	14.3	14.2
Hamilton	123.4	115.3	106.1
Kingston	15.3	13.9	16.8
Kitchener	34.2	34.1	27.8
London	78.5	70.4	72.6
Ottawa	253.2	389.1	613.9
Peterborough	16.6	16.0	14.1
St. Catharines	23.2	23.5	18.7
Sarnia	22.1	18.4	18.5
Sudbury	14.0	12.5	11.4
Toronto	1,598.2	1,712.6	1,651.2
Windsor	87.9	75.7	73.7
Total	2,330.9	2,539.2	2,673.9
Prairie Provinces:			
Brandon	7.7	6.0	6.8
Calgary	128.0	112.6	113.6
Edmonton	104.6	90.4	137.0
Lethbridge	11.8	12.9	11.7
Medicine Hat	6.9	5.3	5.7
Moose Jaw	15.5	11.2	15.2
Prince Albert	8.9	7.7	8.3
Regina	98.5	52.4	64.3
Saskatoon	27.5	22.7	29.0
Winnipeg	443.3	380.1	414.0
Total	852.7	701.3	805.6
British Columbia:			
New W'minster.	22.0	17.9	17.8
Vancouver	434.0	364.1	364.6
Victoria	74.2	87.3	54.3
Total	530.2	469.3	435.7
Total for Canada	5,727.1	5,596.7	5,678.2

BANK OF CANADA

	May 21 1947	May 14 1947
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Notes in circ.	1,148,373,943	1,153,428,827
Rest fund	10,050,367	10,050,367
Deposits: Dom.	149,735,555	186,738,632
Chart. banks	476,311,551	493,756,732
Other	71,325,286	71,696,061
Total deposits	697,372,392	752,191,425
Liabs. pay. in sterling, U.S.A. and for'n gold currencies		
Deposits	958,496	958,496
Other	16,831	16,831
Total	975,327	975,327
All other liabs.	17,485,640	19,387,017
Total liabs.	1,879,257,669	1,940,033,063
Assets		
Sterling & for'n. exchange	975,327	975,327
Subsid. coin	388,071	382,844
Investments:		
Dom. govt. sh.	1,118,449,148	1,166,184,384
Oth. Dom. govt.	722,088,662	721,950,818
Other secs.	15,000,000	15,000,000
Total invest.	1,855,537,810	1,903,135,212
Premises	2,453,440	2,452,881
All other assets	19,903,021	33,086,789
Total assets	1,879,257,669	1,940,033,063

Tennis, Skiing, on Upgrade Golf Waning, Statistics Hint

Whacking a ball with a racquet or bat is sheer fun for Canadian youngsters, but serious business for 36 firms in Canada's $5 million sporting goods industry.

The 1945 figures from the Dominion Bureau of Statistics, show that, while value of production had increased $91,607 over 1944, changes had occurred within the various categories. Fewer golf clubs, less baseball equipment and gymnasium apparatus were made for Canadians. Production of skis, tennis and badminton racquets, fishing tackle, billiard, bowling, and football equipment was stepped up.

To produce $5,504,640 worth of equipment in 1945 required the employment of 1,101 persons (increase of 169 over 1944) whose pay amounted to $1,433,218 (up $208,173) as well as the expenditure of $3,294,096 for materials and supplies (up $82,804).

The DBS report includes only establishments whose principal products consist of sporting goods —23 in Ontario, 10 in Quebec, two in Manitoba, and one in British Columbia. Sporting goods are also produced as subsidiary products by establishments credited to other industrial classifications.

Name Directors N. S. Research

From Our Own Correspondent

HALIFAX — Premier Angus Macdonald has named a nine-man board of directors for the province's newly created Research Foundation:

C. M. Anson, Sydney, general manager of the steel division of the Dominion Steel and Coal Corp.; F. M. Blois, Truro, of the textile manufacturing company Stanfield's Limited; Dr. Alan E. Cameron, former Deputy Minister of Mines for the province, now prsident-elect of Nova Scotia Technical College; C. G. Hawkins, Milford, prominent lumberman and former member of the Nova Scotia Economics Council; Dr. G. H. Henderson, head of the physics department at Dalhousie University and member of the National Research Council of Canada; O. F. MacKenzie, Halifax, president of Halifax Fisheries tnd former member of the Nova Scotia Economic Council; W. Maxner, Windsor, former agricultural representative and prominent in various farmers' organizations; Rev. Dr. P. J. Nicholson, Antigonish, president of St. Francis Xavier University; Dr. F. H. Sexton, Wolfville, recently retired president of the Nova Scotia Technical College. Ex officio members of the board are Dr. H. D. Smith and Dr. R. D. Howland, president and vice-president, respectively, of the Foundation.

The Research Foundation was set up as a permanent organization to study the industrial and economic problems of Nova Scotia and devise means of solving them. It will seek methods of developing and expanding industries in the province.

New CNR Signal Shop To Repair Equipment

Montreal-CNR has built at suburban Pointe St. Charles shops, a $125,000 signal repair shop, 3 stories 114 by 40 ft., reinforced concrete and brick. The shop, according to Chief Engineer Barton Wheelwright, will handle the whole system's signal repair work. As well, it may later manufacture some of the new equipment requirement. Till now, virtually all such equipment has been bought in United States and returned to the makers for repairs. Substantial saving in costs with greater efficiency is expected.

IN MONTREAL

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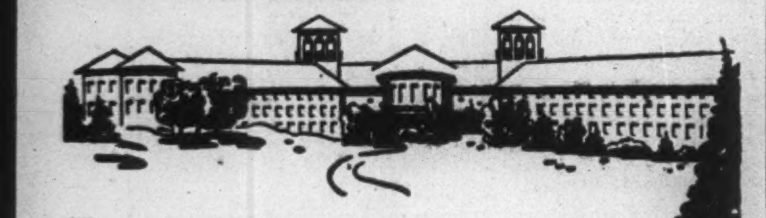

The *new* Royal Muskoka Hotel offers you everything for the more exclusive and gracious holiday. Relax and rest in carefree comfort, or play as you wish. Enjoy tennis on fast clay courts, golf on a sporty, lakeside course—professionally kept—swimming, beach sports, sailing, boating, launch trips and lake cruises. Meals, under a famous chef, are superb—in both dining room and new coffee-shop. Music and dancing every night with excellent orchestra—then sleep restfully in the spicy, pine-laden coolness. The *new* Royal Muskoka—under the management of the famous Fort Montague Beach Hotel at Nassau—extends every personal interest in your comfort to make for a distinctive, long remembered holiday.

For reservations or for Convention facilities in September, telephone or write to:

THE NEW Royal Muskoka HOTEL

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

VANCOUVER MACHINERY DEPOT 1946 operations resulted in a uet loss of $73,254 (profit of $50,361 in 1945).

The period covered by annual report embraces the months immediately following cessation of war, with resultant cancellation of war contracts, and general clean-up and reorganization of the plant to prepare for commercial work. A large contract for supply of steel pipe to the Greater Vancouver Water District was obtained and a period of preparation for this work was required. Delay in deliveries of steel from the mill, followed by the steel strike in Eastern Canada, restricted production on this contract. In common with other foundries in Vancouver, the Vancouver Engineering Works suffered a strike of foundry workers which effectively stopped all operations in the Sixth Avenue plant for eleven weeks.

As a result of an intensive sales and advertising program, a satisfactory reserve of orders was on hand at year-end. While expenditures made to secure this volume are included in the 1946 accounts, profit therefrom will not appear until 1947 and subsequent years, it is stated.

Results for the current year to date are satisfactory and a substantial backlog of orders is on hand. Given good delivery of materials, 1947 should be a successful year, it is stated.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	†1945
Net sales	$2,387,003	......
Deficit earnings	116,890	‡$635,346
Add: Depr.	52,502	40,235
Bond int.	13,000	7,500
Income taxes§	▪92,611	535,500
Misc. chgs.	5,624	......
Minority int.	•3,545	1,750
Less: Asset sale	18,606	......
Net loss	73,254	‡50,361
Less: Divds.	11,000	......
Deficit for year	84,254	......
§Incl. ref. EPT	......	96,041

‡Profit. •Loss. ▪Reduction of prev. yrs. taxes. †Period ended in.

Earnings per Share* and Dividend Record:

	1946	1945
Cl. A: Excl. ref. EPT	d$1.83	$1.26
Incl. ref. EPT	d1.83	3.66
Paid	0.27½	......
Com.: Excl. ref. EPT	d2.38	0.71
Incl. ref. EPT	d2.38	3.11

None paid.
*Based on present o/s capital.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	▪1945
Cash & Dom. bds.	$1,595	$465,105
Accts. rec.	604,248	204,698
Tax recov.	459,692	......
Inventories	*889,258	347,829
Total curr. assets	1,954,793	1,017,632
Prep. exp.§	19,307	12,456
Misc. assets▲	230,925	454,478
Fixed assets*	716,970	553,019
Total assets	2,921,995	2,037,585
Bk. loan & overdraft	779,314	......
Accts., tax., etc., pay.	373,724	571,567
Total curr. liabs.	1,153,038	571,567
Funded debt	300,000	300,000
Min. int. in sub.	26,531	44,731
Capital stock	700,200	700,200
Earned surplus▲	742,226	421,087
*After depr. of	1,436,428	1,415,918
▲Incl. ref. EPT	166,605	428,946

§Incl. in curr. assets in co's. report.
▪Pro forma, after capital reorganization.

	1946	1945
Working capital	801,755	446,065

YOUNG-DAVIDSON MINES net operating profit was over $100,000 lower at $113,377 in 1946, and, after allowing for capital expenditures and adjustments, company's portion of profit was $21,479 ($43,356 in 1945).

Bullion production totalled $669,359 from 208,619 tons of ore milled, an average recovery of $3.21 ($752,171 from 206,556 and $3.64).

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Production	$669,359	$752,171
Add: Other inc.	343	298
Less: Oper. exps.	227,875	436,498
Oper. profit	241,827	315,971
Less: Taxes§	40,575	82,040
Devel. w/o	87,875	13,958
Net oper. prof.	113,377	219,973
Less: Capital exp. re shaft	5,732	3,221
Adjust.	1,252	973
Add: Prof. on bds.	1,000	1,000
Divisible prof.‡	107,393	216,779

‡Of which 20% is credited to Young-Davidson Mines Ltd.

DIVISION OF PROFITS*

Years Ended Dec. 31:	1946	1945
Due company	$21,479	$43,356
Add: Tax adj.	1,272	1,893
Bond income	122	62
Total	22,873	45,311
Less: Receipts from Hollinger	122	11,533
Owing by Hollinger	22,751	33,778

*Giving effect to 20% due Young-Davidson Mines.

BEATTY BROS. LTD. rearrangement of capital stock providing for a special dividend of $5 a share on Class "A" and for immediately thereafter changing both "A" and "B" shares into common shares of no par value was sanctioned on May 23, 1947 by order of Hon. Mr. Justice Wilson at Osgoode Hall. Application for Supplementary Letters Patent to make the plan effective will be made to the Secretary of State immediately.

Fees and Salaries Paid to ICI Directors

In The Financial Post, May 17 (page 8), a typographical eror appeared in Kenneth R. Wilson's report on the fees and salaries paid to directors of Imperial Chemical Industries. Where this report read "$10.7 millions" the figure should read $1.07 millions; and "$1.2 millions" should read $122,000.

Macfie Cuts $12.32 On Garrison Claims

Diamond drilling the optioned group of claims in Garrison twp., Ont., by Macfie Red Lake Mines, has returned 14.2 ft. of ore grading $12.32, The Financial Post is advised. This ore zone is said part of a wider zone which showed an average assay of $5.76 for 43 ft. and current operations are designed to trace the occurrence for strike and dip.

Drilling of the original Macfie claims in Red Lake area, Ont., encountered a narrow high grade intersection, but otherwise nothing of importance has been indicated. Two drills are still being utilized on these holdings.

Spend Your Vacation IN NOVA SCOTIA AT
MOUNTAIN GAP INN
HOTEL AND CABINS ON THE BEAUTIFUL ANNAPOLIS BASIN
Rates $5.00 to $7.50 per day
Open June 1st to September 30th
SPECIAL RATES DURING JUNE
Write immediately for full information and reservations to:
MOUNTAIN GAP INN
Joggin Bridge P.O., Smith's Cove
DIGBY CO., N.S.

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. . . to your hearts content or take a deep breath and relax. You'll find everything from excellent accommodation and meals to every summer sports activity at the Laurentians' Gayest Resort. Swimming Pool . . . Tennis . . . Golf . . . Archery . . . Riding . . . Boating . . . Shuffleboard . . . all in the heart of the famous Laurentian Vacationland.

Dancing in the Red Room to Bob Adams Combo

STE. ADELE LODGE

Consult your Travel Agent or write
Ste. Adele-en-Haut, P.Q.
40 miles north of Montreal
OPEN THE YEAR-ROUND

FOR SALE — AIRCRAFT

LICENSEABLE AFTER OVERHAUL ALSO TWO TYPES OF LINK TRAINERS (CROWN ASSETS)

Subject to prior sale or withdrawal, War Assets Corporation invites offers to purchase for a number of aircraft and/or Link Trainers of the types, at the prices and subject to the conditions stated below. All the aircraft will require overhaul and/or modification depending on their condition before being eligible for Certificate of Airworthiness in accordance with Department of Transport standards. They will also need servicing before ferrying permits to overhaul bases can be obtained.

ANSON V

Twin-engine, wooden construction, low wing monoplane, powered by Pratt & Whitney Wasp Jr. R985-AN12B and R985-AN14B engines, and equipped with Hamilton Standard or Hoover Constant Speed Propellers. Adaptable for light feeder airline work, passenger and cargo or executive transport work.

Priced at $5,000.00

CESSNA CRANE

Light twin-engine, low wing, cabin monoplane, powered by Jacobs L4MB engines. Requires certain modification before being eligible for Canadian Certificate of Airworthiness. Adaptable for light commercial work and executive transport.

Priced at $600.00

HARVARD II

Single engine, low wing monoplane, previously used as an advance trainer. Tubular fuselage construction, metal wings, and retractable undercarriage. Powered by Pratt & Whitney R1340-AN1 or commercial designation S3H1, 550 h.p. engines. Adaptable for executive work or sportsman pilot.

Priced at $800.00

LINK TRAINERS

Service Type "E" and British Type "D" are equipped with all blind flying instruments, desks, and recorders, less wind-drift attachments. These machines will operate on 250 or 115 volt, 50-60 cycle power only. Power cycles other than as referred to require the assistance of power converters.

Priced as follows:
Service Type "E" — $250.00
British Type "D" — $150.00
Elementary Type "C"—$150.00

FAIRCHILD CORNELL
Manufacturer: Fleet Aircraft Ltd., Fort Erie, Ont.

Single engine, low wing monoplane, fabric covered tubular metal fuselage with plywood covered wooden wings. Equipped with plexiglass coupe top canopy, landing flaps, fully swivelling tail wheel, fixed-undercarriage. Powered by Ranger 200 h.p. in-line engine. Subject to centre Front Spar modification before being eligible for Canadian Certificate of Airworthiness. Adaptable for private ownership, club or school use, or light executive transport.

Priced at $650.00

LOCATION

These aircraft and Link Trainers are at various locations throughout Canada and persons wishing to inspect or determine locations should make known their requirements to the Chitf of Aircraft Sales Division, War Assets Corporation, 4095 St. Catherine St. West; Montreal 6, P.Q.

TERMS AND CONDITIONS

Offers to purchase any or all of the above described Aircraft and/or Link Trainers are invited subject to the following conditions:

(a) The Corporation shall have the right to accept or reject any or all offers in whole or in part.
(b) If an offer is accepted, sale will be on an "as is-where is" basis, without warranty of any kind (except as to the Crown's title) and will be subject to the other usual Sales Conditions of the Corporation.
(c) On acceptance of offer, purchase price will be payable in full.
(d) Purchasers will be required to take delivery of the aircraft and/or Link Trainers sold at their own expense within a time limit set by the Corporation.

Offers should be addressed to the Chief of Aircraft Sales Division, War Assets Corporation, 4095 St. Catherine St. West, Montreal 6, P.Q.

WAR ASSETS CORPORATION

(This advertisement supersedes former advertisements, if any, covering the above-mentioned aircraft and Link Trainers)

To the Shareholders of

MONTREAL LIGHT, HEAT & POWER CONSOLIDATED

Quebec Hydro-Electric Commission hereby gives notice that its Amended Offer, dated April 23rd, 1947, to purchase the shares of Montreal Light, Heat & Power Consolidated shall cease to be effective after the close of business on June 9th, 1947 and that the authority given to the depositary banks to accept deposit of share certificates under such Amended Offer will terminate upon such close of business.

Dated at Montreal this 20th day of May, 1947.

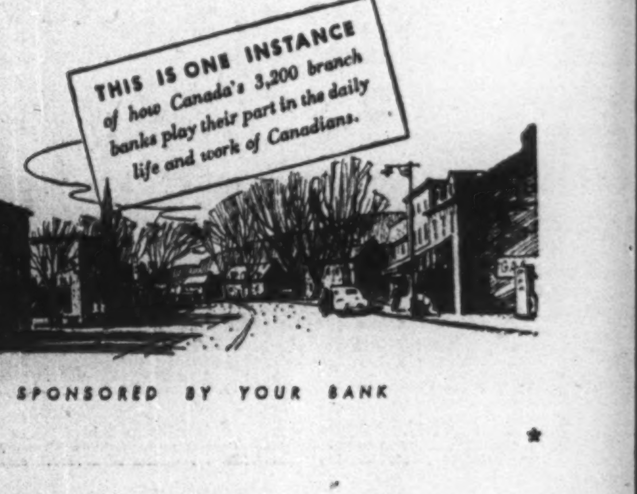
QUEBEC HYDRO-ELECTRIC COMMISSION
L. E. POTVIN, *President*

BIG TOURIST SEASON AHEAD!

THE THOMPSONS are busy as bees, getting their place in shape for the tourist season. This year, with three more cabins, electricity and a modernized kitchen, they hope to do even better than before.

They were able to make these additions because last fall Mr. Thompson drove to town to see his bank manager. He knew about the nice little business the Thompsons had built up; a bank loan was quickly arranged.

Now the Thompsons can handle more tourists and increase their income. At the same time Canada will benefit from the extra tourist dollars they take in.



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THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING MAY 23

Range 1947 High	Low	Div R'te $	May23 Y'ld %		Sales	Last May 16	Week end. May 23 H	L	Cl'se
21⅞	14⅛	.	...	Abitibi, new	11556	15⅞	15⅞	14⅛	15⅛
22	17	.	...	Do $1.50 pr n	20480	18⅛	18⅛	17	18⅛
43	37⅛	6.25	..	Do. $2.50 pf n	860	42	42⅛	42	42⅛
23⅛	20⅛	1.00	4.8	Acadia Atlan A	1415	21⅞	21⅛	20⅛	21
107	103⅛	5.00	4.8	Do. 5% pref.	205	105⅛	105	103⅛	103⅞
11⅛	8	4.25	...	Acme Glove	125	9⅛	9	9	9⅛
35	32	1.00	...	Agnew Surp.	65	33	33	33	33
30	21	.	...	Algoma Steel	1645	26⅛	27⅛	26	27
103	100⅛	5.00	4.9	Do. pref.	60	101⅞	101⅞	101⅞	101⅞
27⅛	26	1.00	3.7	Alum of Can P	1000	26⅞	27	26⅛	27

Range 1947 High	Low	Div R'te $	May23 Y'ld %		Sales	Last May 16	Week end. May 23 H	L	Cl'se
53	42	2.00	4.4	Fraser Cos.	760	45	45	42	45
100	97	4.50	4.6	Freiman, pref.	30	100	99	98⅛	98⅛
19	17	1.20	6.5	Gatineau Pwr.	1220	17⅞	18⅛	17⅛	18⅛
111⅛	109	5.00	4.5	Do. pref.	200	110	110⅛	109⅛	110⅛
111⅛	108	5.50	5.0	Do. 5½%	10	111⅛	111	111	111
5⅛	3⅛	.	...	Gen. Bakeries	1135	3⅞	4	3⅛	3⅞
20	18	4.50	...	Gen. Product A	39	19	18	18	18
18⅛	15⅛	.80	5.2	Gen. St. Wares	660	15⅞	16	15⅛	15⅛
108⅛	105	5.00	4.8	Do. pref.	35	105⅛	105	105	105
113	100	4.00	4.0	Goodyear Tires	30	100	100	100	100
55⅛	53	2.00	3.7	Do. pref.	150	53⅞	53⅞	53⅛	53⅞
11⅞	11⅛	.50	4.4	Gord Mackay A	260	11⅞	11⅞	11⅛	11⅛
21⅛	19⅛	1.00	5.1	Grafton Co A.	25	20	19⅞	19⅞	19⅞

Range 1947 High	Low	Div R'te $	May23 Y'ld %		Sales	Last May 16	Week end. May 23 H	L	Cl'se
10	7⅛	.70	8.6	United Steel	7680	7⅞	8⅛	7⅛	8⅛
81	72	4.00	5.4	Wabasso Cot.	220	75	74	74	74
26	21⅞	4.60	...	Walker-Good.	7770	22	22⅛	21⅞	22
16⅛	14⅛	.80	5.3	West Brew	20	14⅛	15	15	15
1.25	1.00	.	...	West Grain	6	1.00	1.00	1.00	1.00
38⅛	28	3.00	10.00	West Grocers.	225	32	30⅛	30	30
39⅞	35	1.50	4.1	Do. (A)	345	38	37	36⅛	37
37	30	1.40	4.0	Do. pref.	100	35	35	35	35
27⅛	23	1.00+4.50		Westeel	485	24⅛	25	24⅛	25
31	27	.80	2.9	Weston George	1570	28	28	27	27⅛
108	104⅛	4.50	4.3	Do. 4½% pref.	35	105	106	105	105⅛
23	20⅞	1.00	4.7	Wilsils	5	20⅞	21	21	21
14⅛	13		...	Windsor Hotel.	128	13	13⅛	13⅛	13⅛
17⅞	13	4.50	...	Winnipeg El. A	4995	15	14⅛	13⅛	14⅞
101	97	5.00	5.0	Do. pref.	15	101	100⅛	99⅞	99⅞

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

May 27, 1947

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	104⅛	105⅛
3	Mar. 1954	106	106⅛
3	Nov. 1956	105⅞	106⅛
3	May 1957	104⅛	105⅛
3	Jan. 1959	104⅛	105⅛
3	June 1960	104⅛	105⅛
3	Feb. 1962	104⅛	105⅛
2½	Mar. 1948	100⅞	101⅛
1½	Mar. 1948	100⅛	100⅞
1½	Nov. 1948	100⅛	100⅞
1½	Nov. 1950	100⅛	101⅛
3	Oct. 1963	104⅛	105⅛
3	Sept. 1966	104⅛	105⅛
1½	Nov. 1949	100⅛	101⅛
Dom. of Canada Bonds			
3½	Nov. 1951	102⅛	103
4	Oct. 1952	101	101⅛
3½	Feb. 1952	104⅛	104⅞
3	Oct. 1952	103⅛	103⅞
3	June 1955	103⅞	104⅞
4½	Nov. 1957	101⅛	102
3	June 1958	104⅞	105⅛
4½	Nov. 1958	104	104⅞
4½	Nov. 1959	106⅛	107
3½	June 1966	106	106⅞
3	Perpetual	103⅞	104⅞
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103⅞	105
4½	Sept. 1951	*110⅛	*112⅛
4½	Feb. 1956	*117	*119
4½	July 1957	*119⅛	*121⅛
3	Feb. 1953	101	101⅛
4½	June 1955	*118	*120
5	Feb. 1954	117⅛	118⅞
5	Feb. 1970	112⅛	114⅛
5	Oct. 1960	*111⅛	*113⅛
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	*119	*121
Grand Trunk Pacific Rly.:			
3	Jan. 1962	*106	*108
4	Jan. 1962	*118	*120
Montreal Harbour Com.			
5	Nov. 1969	*111⅛	*113⅛
Provincial Govt. Bonds			
New Brunswick:			
3½	June 1956	103⅛	105⅛
4½	Apr. 1961	122	124
5	Jan. 1960	124	126
2¾	June 1966	97⅛	99⅛
Nova Scotia:			
3	Jan. 1952	103⅞	105⅛
3½	June 1956	105	106⅛
3½	Nov. 1950	104⅞	106⅛
4½	Nov. 1960	123⅛	125⅛
5	Mar. 1960	128	130
3	June 1958	102⅞	104⅛
Ontario:			
3½	Nov. 1951	103⅛	104⅛
3½	May 1955	105⅛	107⅛
4	June 1962	122	124
4½	June 1950	107⅛	109⅛
4½	Jan. 1962	128	130
5	Oct. 1948	104⅛	105⅛
5	Dec. 1960	132	134⅛
2¾	July 1976	100⅛	101⅛
Ont. Hydro Commission:			
3½	Feb. 1953	103⅛	105
4	Aug. 1957	117	120
2¾	June 1975	100	101⅛
Prince Edward Island:			
4	Mar. 1954	103	104⅛
Quebec:			
3½	Mar. 1959	105⅛	107
4	Nov. 1952	106	107⅛
3½	Feb. 1955	106⅞	108⅛
4½	Aug. 1958	114⅛	116
4½	Jan. 1963	120⅛	122⅛
3	Feb. 1962	103⅛	105
Alberta:			
3½	June 1964	101⅛	104
3½	June 1959	102	105
3½	June 1972	102⅛	105⅛
British Columbia:			
4	Dec. 1957	113⅛	118⅛
4½	Jan. 1951	112⅛	115
4½	Oct. 1953	116⅛	119⅛
5	Apr. 1954	119⅛	122⅛
2¾	Apr. 1966	99⅛	101⅛
5	Sept. 1953	112	114
Manitoba:			
4	Dec. 1957	114	117
4½	Dec. 1956	119	121⅛
5	Dec. 1959	126	128⅛
5½	Oct. 1955	119	121
Saskatchewan:			
4	Sept. 1954	100⅞	102⅞
4	Nov. 1960	103⅛	105⅛
4½	Oct. 1951	109	111⅛
4½	Mar. 1960	112	115
5	Aug. 1958	114	116
5	Dec. 1959	116⅛	119⅛
5½	Oct. 1952	109	112
6	Mar. 1952	111	113

*N. Y. funds.

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland, & Co., Kippen & Co. and Intercity Securities Corp.)

May 26, 1947

	Bid	Ask
Aikenhead Hardware	75.00	80.00
Allens Kingston units	74.00	....
Allens London Thea., pf.	54.00	....
Allens Toronto units	39.00	....
Anglo Can. Telephone A	10.75	11.75
Beach Foundry pfd.	85.00	....
Brinton Peterboro Carpet	95...	....
British Mortgage and Trust	167.00	....
B. C. Sugar	88.00	92.00
B. C. Telephone 6st pfd.	110.00	113.00
Brockville Trust $50 par	57.00	....
Canada Tea pfd.	75.00	....
Canadian Airways	2.00	3.00
Can. Co-op. Woolgrowers	8.00	10.00
Canadian Fire $10 par	18.00	....
Candn. Indemnity $10 par	19.00	....
Can. Ingersoll Rand	62.00	64.00
Can. Investors Corp.	7.35	8.25
Canadian Motor Lamp A	11.75	12.75
Can. West. Nat. Gas com.	55.00	....
Do., pfd.	103.50	....
Capital Trust Co. $100 par	140.00	....
Capital Wire Cloth com.	10.00	....
Do., pfd.	23.00	....
Cawthra Apts. units	5.00	....
Chase, A. W. units	37.00	....
Chatco Steel Prod's. pref.	7.50	8.25
Do., com.	9.00	9.75
Colonial Realty com.	7.90	....
Colonial Steamships com.	73.00	78.00
Commercial Finance com.	13.00	....
Commercial Life 10% paid.	7.75	....
Commonwealth Inter. Corp.	3.37	3.70
Conf. Life Assoc. 30% pd.	150.00	....
Continental Life 20% pd.	42.00	....
Cooksville com.	10.00	13.00
Do., 2nd pref.	90.00	....
Crown Life Ins. 100% pd.	310.00	....
Debent. & Securities pfd.	95.00	....
Detroit Internat'l Bridge	11.00	13.25
Dom. Can. Gen. Insur.	205.00	....
Dominion Life Assur.	210.00	....
Dover Industries Ltd.	11.75	12.75
Dunlop Tire pfd.	25.00	26.50
Edmonton Stock Yards un.	68.00	....
Empire Life Ins. 25% pd.	17.00	19.00
Excelsior Life Ins. 40% pd.	100.00	....
Federal Fdrs. & S. new com.	1.00	1.75
Foreign Power Sec. pfd.	10.00	13.00
Galt Brass comm.	32.00	....
Goderich Elev. & Trans.	15.00	16.25
Great Lakes Pwr. pfd.	113.00	....
Great West Life	400.00	415.00
Guardian Realty pfd.	37.00	....
Guar. Co. of N. America.	385.00	....
Guelph & Ont. Svgs. $50	60.00	....
Gurney Foundry pfd.	3.85	4.25
Hart Battery com.	8.00	9.00
Highland Dairy pfd.	58.00	....
Homewood Sanitarium	115.00	....
Hudsons Bay ord.	13.00	16.00
Indust. Mtge. Trust $50	36.00	....
Ingram & Bell pfd.	99.00	102.00
Interprovincial Brick A pf.	50.00	....
Do., B	18.00	22.00
Lambton Loan & Inv. $50	75.00	....
Laprairie com.	....	8.00
Do., pref.	64.00	....
Loblaw Groc. Inc.	20.75	21.75
Manufacturers Life Ins.	320.00	....
Midland L. & Svgs. $10 par	19.00	....
Moirs Limited pfd. 6%	130.00	....
Monarch L. Assoc. 30% pd.	90.00	....
Monarch Mtge. units	4.00	4.75
Montreal Is. Pwr. pfd.	....	25.00
Montreal Trust Co.	91.00	....
Morrow Screw com.	23.00	....
Mountainview Apts. pfd.	16.50	....
Nat. Drug & Chem. new c.	8.00	9.00
Do., com. old	9.00	10.00
Do., pfd.	13.00	14.00
Nat. Life Assce. 25%	72.00	77.00
Neilson, Wm. com.	14.00	....
Do., pfd.	102.00	....
New Brunswick Telephone	13.50	15.00
New Method Ldry. units	99.00	....
North Amer. Elev. 1st pfd.	75.00	....
Northern Tel., com.	1.50	....
Ont. Tobacco Plant units	63.00	....
Paramount Kitchener units	55.00	....
Paramount Oshawa pfd.	90.00	....
Peller Brew. com.	7.00	8.50
Do., pfd.	21.00	22.50
Provincial Bank of Canada	15.50	16.25
Prudential Trust	10.50	....
Ritchie Cut Stone pfd.	3.50	....
Sawyer Massey com.	1.40	2.00
Seiberling Rubber com.	9.00	12.00
Sincennes McNaughton T.	2.25	....
Sherbrooke Trust	140.00	....
Sovereign Life Assce. 25%	35.00	....
Standard Fuel pfd.	47.00	51.00
Do., com.	3.00	4.50
Stand. Tie & Lumber West.	2.50	3.50
Sun Life Assce.	480.00	500.00
Third Can. Gen. Inv.	3.40	3.90
Toronto Carpet pfd.	98.00	....
Toronto General Ins.	6.25	7.25
United Farmers Co-op.	3.00	4.00
United Steel A pfd.	25.00	26.75
University Tower	7.00	....
Victoria Trust & Svgs.	124.00	....
Waterloo Mfg. com.	7.00	8.75
Waterloo Trust & Svgs.	124.00	130.00
Western Assurance com.	65.00	....
Do., pfd.	41.00	....
Western Grain com.	.75	1.40
Do., pfd.	26.00	30.00
York Trading com.	10.75	12.00

Unlisted Mines

Approximate quotations, 3 p.m., May 26, subject to confirmation:

	Bid	Ask
Abenakis	.03	.05
Advance	.05	.07
Alcan	.04	.06
Alexander	.06	.08
Aljo	.01½	.02

	Ask	Bid
De Sant n	.05	.07
Dom Mal	.02	.03
Dona Pat	.02½	.03
Durham	.19	.23
Doris	.10	.15
Echo Indin	.07	.09

	Ask	Bid
Mallen R L	.06	.08
Manterre	.03	.05
Marbenor	.15	.18
Marquette	.03	.04
Mar Bird	.06	.08
Mary Ann	.07	.09
Mat Con	.27	.29

	Bid	Ask
Pinnacle	.02	.04
Poona Go	.02	.06
Presdor	.03	.04
Privateer	.35	.40
Quest	.09	.11
Rajah R L	.03	.06
Rambull	.02	.04

Oil Stocks

* N. Y. Funds. † Paid in 1945. x Extra. ■ Sup. appl. F. E. C. B. ‡ Paid in 1946. § Capital Repayment. ♦ Dividend deferred. ‡ Paid or payable in 1947.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
May 26	152,400	1,398,000	73,864	700,000
May 24	......	......	......	300,000
May 23	190,000	1,729,000	118,286	900,000
May 22	133,500	1,034,000	164,063	1,210,000
May 21	82,900	878,000	193,022	1,250,000
May 20	102,200	782,000	96,880	1,170,000

Mining Stocks

Stocks Not Traded This Week (Continued)

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	May 23 Bid	Ask
MacMillan Ex.	.40+4.10	16⅛	..	16
Man. Sugar pf.	43.00	100	100	104
Maritime Tele., pf.	.70	19⅛	20	..
Marcus Loew's	4.00	84⅛	84	..
McBrine	1.00	19	18⅛	19
Mexican Lt. pref.	..	15	..	..
Mitchell, J. S.	■2.50	80	73⅛	..
Monarch L. 30% pd.	12%	87	90	..
Mont. Is. Pr.	...	.24⅛	..	5.00
Mtl. Refrig. & S.	4.30	18⅛	18	..
Do., 1st pref.	1.50	30⅛	29⅛	..
Do., 2nd pref.	1.40	23⅛	22	..
Moore Corp. pf. (A)	47.00	275	258	..

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1947: Monthly Figures:												
Jan.	179.9	253.7	124.0	63.0	182.9	124.0	303.5	142.0	108.1	133.1	117.7	106.2
Feb.	184.9	264.3	125.3	68.6	190.6	129.8	302.5	145.3	110.4	133.4	121.8	109.4
Mar.	180.5	257.6	123.1	65.8	185.9	129.3	291.9	140.2	112.6	130.6	120.1	106.4
1947: Weekly Figures:												
Apr. 3	182.8	256.1	123.3	65.4	183.0	129.4	287.0	139.5	113.5	130.2	120.1	106.3
Apr. 10	184.0	250.2	125.7	64.7	183.5	129.2	281.9	138.3	112.2	130.0	119.1	105.7
Apr. 17	179.6	240.7	125.0	65.1	178.0	128.3	279.2	136.2	109.0	128.2	117.0	104.2
Apr. 24	178.8	239.6	121.0	64.6	179.3	127.6	278.2	136.0	109.9	130.6	117.1	104.3
May 1	181.2	235.5	119.4	63.3	179.7	129.2	287.2	136.8	109.9	131.4	117.6	105.0
May 8	183.3	243.7	122.4	66.8	179.8	128.1	288.7	139.1	110.5	133.0	118.1	106.5
May 15	183.3	234.0	120.2	66.9	179.5	127.9	279.5	135.5	109.8	132.4	115.6	104.4

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
May 26	163.00	107.60	81.40	25.16
May 24	.....	.....	.....	.....
May 23	162.77	106.89	80.64	25.28
May 22	162.17	102.57	79.00	25.11
May 21	160.29	98.75	78.36	24.17
May 20	159.82	96.31	77.91	24.01
Month ago	167.42	104.60	85.34	24.04
Year ago	203.85	121.81	102.17	26.99
1947 High	184.51	114.35	96.11	28.39
1947 Low	159.82	96.31	77.91	22.38

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
May 26	76.9	117.5	104.0	294.59	70.45
May 24	...	.....	.....	.....	.....
May 23	76.9	117.2	103.8	296.52	70.11
May 22	76.4	117.0	103.5	295.07	67.88
May 21	76.3	116.1	102.8	289.80	67.35
May 20	76.0	115.9	102.6	288.25	67.24
Month ago	76.0	120.0	105.3	306.50	71.57
Year ago	82.1	147.7	125.8	396.76	99.46
1947 High	78.5	130.0	112.5	361.92	76.47
1947 Low	75.0	115.9	102.6	287.28	67.20

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
May 26	166.29	42.33	33.07	58.51
May 24	166.97	42.85	33.10	58.85
May 23	166.96	42.87	33.17	58.86
May 22	166.73	42.67	32.95	58.96
May 21	165.77	42.14	32.68	58.24
May 30	163.59	41.46	32.28	57.44
Month ago	168.85	44.56	33.80	59.90
Year ago	209.42	66.65	43.28	78.25
1947 High	184.49	53.42	37.55	67.10
1947 Low	163.59	41.46	32.28	57.44

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pr. & P. pf.	*6.25	July 1	June 16
Acadia-Atlan. Sug.	.25	July 2	June 10
Do., pf. 5%	1.25	June 15	May 20
Agnew-Surpass Sh.	.50	June 2	Apr. 30
Aluminium	2.00	June 5	May 8
Aluminum, pf.	.25	June 1	Apr. 30
Anglo-Can. Tel., A	.15	June 2	May 9
Anglo-Can. Oil, n. c.	.30	June 1	May 1
Anglo-Nfld. Dev.	.60+.40	July 31	June 24
Argus	.10	June 1	Apr. 30
Do., pref.	1.12½	June 1	Apr. 30
Associate T. & T.	†1.02	June 9	May 9
Do., 7% pf.	†1.19	June 9	May 9
Aunor Gold M.	.05	June 2	May 9
Auto Elec. Serv. A	*.12½	June 14	May 23
B. A. Bank Note	.25	June 16	May 19
Bk. Can. Nationale	.17½	June 2	May 14
Bk. of Montreal	.20	June 2	Apr. 30
Bk. of Toronto	.30	June 2	May 15
Barber Ellis	.25	June 16	May 31
Bathurst Pr. & Pap.	.25	June 2	May 2
Beatty Bros., A	.50	July 2	June 14
Do., B	.50	July 2	June 14
Belgium Glove	.15	July 1	June 12
Do., 5% pf.	.25	July 1	June 12
Beld.-Corticelli	1.50	July 2	May 31
Do., pref.	1.75	July 2	May 31
Borden Co.	†.60	June 2	May 12
Brazilian Tract.	1.00	June 2	Apr. 11
Brit. Amer. Oil	.25	July 2	June 5
Stanley Brock, A	.15	Aug. 1	July 10
Do., B	.10	Aug. 1	July 10
Bruck Silk Mills	.30	June 16	May 15
Brompton P. & P.	.25	July 15	June 20
Building Prod.	.25	July 2	June 2
Butterfly Hosiery	.25	June 15	May 14
Canada Bread	.10	July 2	June 5
Do., 4½% pf.	1.12½	July 2	June 5
Do., 5% pf.	.62½	July 2	June 5
Can. Cement, pref.	.32½	June 20	May 22
Can. Malting	.50	June 16	May 15
Can. Crushed Stone	.10	June 20	June 2
Can. North. Pwr.	.15	July 25	June 20
Do., 7% pref.	1.75	July 15	June 20
Can. & Dom. Sugar	.20	June 2	May 10
Can. Fdry. & F., A	.37½	June 16	May 30
Can. Machinery	.25	June 28	June 10
Can. Perm. Mtge.	2.00	July 2	June 14
Can. Trust	3.00	July 1	June 14
Candn. Conv., A	.18¾	July 31	June 26
Can. Vinegars	.15	June 1	May 15
Candn. Breweries	.50	July 1	June 2
Candn. Indus. Alco	.50	June 2	May 1
Candn. Indust.	.17½	July 31	June 30
Do., 7% pf.	1.75	July 15	June 13
Can. Intnl. Inves. p.	1.25	June 2	May 15
Can. Fairbanks-M.	.25	June 2	May 15
Can. Foreign Inv.	.75	July 1	May 30
Candn. Food	.18¾	July 1	May 30
Do. A pf.	.25	July 1	May 30
Do. 4½% pf.	1.12½	July 1	May 30
Candn. Malartic	.02	June 25	May 22
Candn. Silk	.37½	June 30	May 31
Candn. Tire	.25+.10	June 2	May 20
Cassidy's 7% pf.	1.75	July 2	June 2
Catelli Food Prod.	.40	May 31	May 22
Do., 5% pf.f	.38	May 31	May 22
Chateau-Gai Wines	.30	June 3	May 15
Circle Bar Knit.	.15+.05	June 1	May 15
Cockshutt Plow	.25	June 2	May 3
Do.,	.25	Dec. 31	Nov. 1
Confed. L. 30% pd.	1.50	June 15	June 10
Do.	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 13	Dec. 10
Cons. Bakeries	.25	July 1	June 6
Cons. Litho. Mfg.	.19	June 30	May 30
Cons. Textile, pf.	.50	June 2	May 14
Cons. Press new A	▲.16½+.05	July 1	June 13
Do., new B	.10	July 1	June 13
Consumers Glass	.50	May 31	Apr. 30
Corrugated P. Box	.25	June 1	May 15
Do., 5% pf.	1.25	June 1	May 15
Crow's N. Pass C.	1.50	June 2	May 8
Davis Leather, A	.37½	June 1	May 2
Do. B	.17½	June 2	May 2
Distillers Seag.	.15	June 16	May 26
Dom & Anglo Inv p	1.25	June 2	May 15
D. Envelope 7% p.	.87½	June 1	May 15
Dom. Malt	.25	Aug. 1	June 30
Do.	1.25	Aug. 1	June 30
Dom. Scot. Inv. pf.	1.00	June 2	May 1
Dom. Stores	.32½	June 14	May 17
Dom. Tar & Chem.	.25	Aug. 2	July 2
Do., pf.	.25	July 2	June 2
Dom. Textile	1.25	July 2	June 5
Do., 7% pref.	1.75	July 15	June 16
Donohue Bros.	.25	June 2	May 15
Eastern Steel	.15	June 2	May 15
Eddy Paper	.25	June 15	May 16
Electrolux	1.50	June 12	May 12
Falconbridge Nick.	.10	May 31	May 9
Famous Players	.20+.05	June 21	June 7
Fed. Fire Ins.	1.00	Aug. 15	Aug. 12
Fittings, A	.30	July 1	June 6
Ford Motor, A & B	.25	June 14	May 22
Fraser Cos.	.50	July 25	June 30
A. J. Freiman	.25	June 1	May 15
Gatineau Pwr.	.30	July 1	May 31
Do., 5% pf.	1.25	July 1	May 31
Do., 5½% pf.	1.38	July 1	May 31
Granby Cons.	†.20	June 2	May 15
Globe Oil	.01½	June 2	May 15
Gord. Mackay A.	.12½	June 14	May 16
Do., B	.12½	June 14	May 16
Chas. Gurd	2.00	May 31	May 15
Grafton & Co.	.25	June 16	May 26
Gt. Lakes Paper A	.62½	June 30	June 10
Gt. West Sad, 1st pf.	.75	June 30	May 31
Do., 2nd pf.	.75	June 30	May 31
Grouped Inc. Shs., A	.24	May 31	May 15
Gypsum Lime	.20	June 1	May 1
Do.	.20	Sept. 1	Aug. 1
Do.	.20	Dec. 1	Nov. 1
Hallnor Mines	.07	June 2	May 9
Hamilton Cotton	.22½	June 2	May 5
Hahn Brass	.30	July 1	June 10
Do., pf.	.50	July 1	June 10
Hinde & Dauch P.	.25	July 2	May 31
Howey Gold	.01	June 2	Apr. 15
Hudson Bay M.	.75	June 9	May 9
Hunt's Ltd., A & B	.20	July 2	June 9
Huron & Erie Mtge.	1%	July 1	June 14
Imperial Oil	.25	June 2	May 16
Imperial Varnish	.15	June 2	May 20
Do., pf.	.37½	June 2	May 20
Inter-City Baking	.75	June 28	June 16
Intnl. Bronze	.37½	July 15	June 14
Do., pf. 6%	.37½	July 15	June 14
Intnl. Paints, pf.	.50	June 23	May 20
Intnl. Nickel	†.40	June 20	May 21
Intnl. Pet.	.25	June 2	May 15
Do., pf.	.25	June 2	May 15

Dividends Declared (Contd.)

Imperial Tobacco	.10	June 30	May 13
Intnl. Utilities	†.22½	June 2	May 12
Invest. Found., pf.	.75	July 15	June 16
Island Mt. M.	.05	June 2	May 9
Kerr-Addison	.03	June 27	May 31
Lake St. John P.	1.50	July 15	June 20
Lake of Woods Mill.	.40	June 2	May 1
Do., 7% pf.	1.75	June 2	May 1
Lake Shore Mines	.18	June 14	May 14
J. A. Lang & Sons	.25	July 2	June 10
Loblaw, A & B	.25+.12½	June 2	May 16
Lamaque G. M.	.02	June 2	Apr. 25
Langley's	.75	June 11	June 4
Do.	.75	Sept. 11	Sept. 4
Do.	.75	Dec. 11	Dec. 4
Laura Secord	.20	June 2	May 1
Lewis Bros.	.25	July 31	June 30
Do.	.25	Oct. 31	Sept. 30
Do.	.25	Jan. 31	Dec. 31
Loblaw	†.20	June 2	May 9
W. H. Lowney	.12½	July 15	June 16
Macassa Mines	.02	June 16	May 16
MacKinnon Str. Steel, pf. 5%	1.25	June 16	May 31
Maclaren Pwr. & P.	.50	May 31	May 17
Madsen Red L.	.04	June 17	May 27
L. McBrine, pf.	.50	July 1	June 14
McIntyre-Porc.	.50½	June 2	May 1
McCabe Gr., B	.20	June 2	May 15
Melchers Dist. 6% p.	.30	June 30	May 31
J. S. Mitchell	.75	July 2	June 16
Montreal Cotton	.12	June 14	May 15
Do., pref.	.44	June 14	May 15
Molson's Brew.	.25	June 26	June 4
Moore Corp.	.55½	July 2	June 5
Do., 4% pf.	♦0.167	July 2	June 5
Do., 7% A & B p.	†1.75	July 2	June 5
Natl. Biscuit	†.40	July 15	June 10
Natl. Drug	.12½	June 2	May 7
Do., pref.	.15	June 2	May 7
Nat. Grocers	.15+.20	July 1	June 9
Do., $1.50 pf.	.37½	July 1	June 9
Nat. Hos., cl. A	.15	July 1	June 6
Niagara W. Weav.	.25	July 2	May 28
Noranda Mines	.50	June 16	May 15
Normetal M.	.10	June 14	May 15
N. Meth. Ldry. pf.	1.62½	June 2	May 15
Nova Scotia L. & P.	1.50	June 2	May 14
Ogilvie Flour	.25	July 2	May 28
Do., 7% pf.	1.75	June 2	Apr. 28
Ont. Beauty Sup.	.10	July 2	June 20
Do.	.10	Oct. 1	Sept. 20
Do., pref.	.25+.10	July 2	June 20
Do., ▲ pf.	.10	Oct. 2	Sept. 20
Ont. Steel	.25	Aug. 15	July 15
Do., 7% pf.	1.75	Aug. 15	July 15
Ottawa Elec. Rly.	1.00	July 2	June 2
Pacific Pete.	.05	June 2	May 10
Page-Hersey	.35	July 1	June 14
Paramount Pic.	†.50	June 13	May 22
Paton Mfg.	.20	June 14	May 31
Do., pref. 7%	.35	June 14	May 31
Perron Gold M.	.01	June 30	May 30
Petrol. Oil	.03	June 2	May 15
Pickle Crow G. M.	.10	June 30	May 31
Placer Dev.	.25	June 13	May 22
Powell River	.35+.50	June 14	....
Power Corp.	.30	July 31	June 30
Do., 1st pref.	1.50	July 15	June 20
Do., 2nd pref.	.75	July 15	June 20
Pressed Metals	.25	June 10	May 10
Preston E. Dome	.01½	July 15	June 14
Price Bros. 4% pf.	2.00	July 1	June 2
Proprietary Mines	.03	July 9	June 9
Rand S. S.	.10	June 30	June 10
Regent Knit.	.40	June 2	May 1
Reliance Gr., pf.	1.00	June 14	May 31
Rem. Rand	†.35	July 2	June 6
Do., pf.	†1.12½	July 1	June 6
Robinson Little A	.25	June 1	May 15
Rolland Paper pf.	1.06½	June 16	May 31
Royal Bank	.20	June 2	Apr. 30
Royalite	.50	June 2	May 17
Russell Ind.	.10	June 30	June 11
Do., pref. 7%	1.75	June 30	June 11
St. Lawr. Corp. A p.	.25	July 15	June 20
St. Lawr. Paper Mills pf.	1.50+1.50	July 15	June 20
Scythes	.19	June 1	May 20
Do., pf.	.31½	June 1	May 20
Sec. Can. Intnl. Inv.	.10	June 2	May 9
Do., 4% pf.	.10	June 3	May 9
Sher.-Williams pf.	1.75	July 2	June 10
Sicks' Brew.	.20	June 30	May 30
Silknit 5% pf.	.50	June 14	May 30
Sigma Mines	.20	July 28	June 27
H. Simon & Sons	.30	June 2	May 1
Do., pref.	1.25	June 2	May 1
Simpsons, pref.	1.12½	June 10	May 16
South. Can. Pwr.	.25	Aug. 15	July 18
Do., 6% pref.	1.50	July 15	June 20
Stand. Chem.	*.10	June 2	Apr. 30
Do., pref.	1.25	June 2	Apr. 30
Stedman Bros.	.15	July 2	June 16
Stowell Screw, A	.75	June 1	Apr. 30
D. A. Stuart Oil pf.	.20	June 2	May 15
Sylvanite	.02	July 2	Apr. 23
Taylor, Pear., pf. 5%	.12½	June 2	May 16
Teck-Hughes	.05	June 2	Apr. 25
Thrift Stores	.25	July 2	June 12
Trad. Fin., 4½% pf.	1.12½	July 1	June 14
Do., A com.	.50	July 1	June 14
Do., B com.	.50	July 1	June 14
Tooke Bros.	.10	July 3	June 16
Toronto Elev.	.10	June 2	May 20
Twin City Rap. Transit 5% pf.	†.62½	July 1	June 20
United Amuse. A	.50	May 31	May 16
Do., B	.50	May 31	May 16
United Fuel 6% pf.	.75	July 2	June 10
United Steel	.17½	June 17	June 2
Viceroy	.09	June 15	June 1
Vir. Dare 5% pf.	.31½	June 1	May 26
Wabasso Cot.	1.00	July 2	June 14
Waite Amulet	.20	June 10	May 9
Walk.-Good.	.30	June 16	May 16
Wellington Fire	1.75	Aug. 15	Aug. 12
G. Weston 4½% pf.	1.12½	June 2	May 15
Westeel Products	.50	June 14	May 26
Wilsil Ltd.	.25	July 2	June 1
Winnipeg Elect.	.50	June 30	May 15
Do., pf.	2.50	June 30	May 15
Woods Manuf.	.50	June 30	May 31
Wright-Har.	.04	July 2	May 27

†N. Y. funds. *Initial.
▲Participating div.
■Eliminating arrears.
♦For period May 1-June 30/47.

Company Meetings

1947	Company	Place
June 3	Ventures Ltd.	Toronto
June 16	Castle-Trethewey M.	Toronto
June 16	McIntyre-Porc. M.	Toronto
June 17	Premier Gold M.	Vancouver

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
May 27, 1947

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen.H.B.R.	5	'59	66½	68½	68
†Assoc. Tel. & T.	5;	'55	108½	...	109½
Bell Telephone	3	'77	102½	104½	102½
B. C. Elec.	3½	'67	101½	103½	101½
♦Gatineau Pr. A	3½	'70	104	...	104
*Do., B	3	'70	103½	...	103½
Gt. Lakes Pr.	4½	'56	101½	104	101½
Do.	5	'57	101½	104	101½
*Int. Hydro-El.	6	'44	98½	101½	98
L. St. Law. Pr.	3½	'65	102½	104½	102½
Mtl. L. H. & Pr.	3½	'56	100	102	100
Do.	3½	'63	102	104	102
Do.	3½	'73	99½	101½	99½
†Mtl. Tramways	5	'51	100	...	100
†Do.	5	'55	101	104	100½
Nat. Lt. & Pr.	4½	'61	102	...	102
Otta. L. H. & P.	4	'57	101½	...	101½
†Power Corp.	4½	'59	104½	...	104½
Quebec Pwr.	3	'62	101	103	100½
St. Maurice Pr.	3½	'70	101	103	101
Shaw. W. & Pr.	3	'71	100½	102½	100½
Do.	4	'69	104	...	104
Union Gas	4½	'50	100½	103	100½
†United Secs.	3	'52	100	...	100
Wpg. El.	3½	'71	102	104	102
Industrial and Realty Issues:					
Abitibi Pr. P.	3½	'67	99½	101½	99½
Acadia-Atlantic Sugar	3½	'65	103½	105½	103
Aluminum Co.	3½	'74	105	108	105
B.C. Pulp & P.	3½	'67	99½	101½	99½
†Brown Co.	5	'59	101½	104	101
Burns & Co.	4	'63	100	102½	100
Can. Celanese	3½	'59	102	...	102
Canada Electric	3½	'67	99½	...	99½
Can. Steamship	3½	'57	102	104	102
Can. W. Lum.	4	'62	101	103	101
C. P. R.	3½	'51	104½	...	104
Do.	4	'49	104	...	104
C. P. R.	4	Perp.	101	...	104
Consol. Paper	3½	'67	101	103	101
Dom. Coal	4½	'52	100½	102½	100½
Dom. Scot. Inv.	4	'52	97½	...	97½
Dom. T. & Ch.	3½	'57	103	...	103
Dom. Textile	3½	'59	105	...	105
Dom. Woollens	5	'64	102	104	102
†Donnacona P.	4½	'56	100½	...	100½
Dryden Pap.	4	'61	101½	103½	101½
†Federal Grain	4	'64	102	104	102
Ham. Cotton	3½	'59	99½	...	99½
Imp. Tobacco	2¾	'66	100½	102½	100
Inter-City Bak.	5½	'48	100	...	100
Indust. Accept.	3½	'66	99½	101½	99½
Ins. Ex. Bldg.	5	'51	98½	...	98½
Bowater's Nfld. P. & P.	3½	'68	101	104	101
*Inv. Bd. & Sh.	5	'47	98	...	98½
Lake St. J. P.	5½	'61	102	...	102
Do.	5	'61	101½	...	101½
Legare	6	'61	100½	...	100½
MacMillan (H.R.) Export	4	'65	101	104	101
Maple L. M.	3½	'63	102½	...	102½
Massey-Harris	3	'66	99	101½	99
McColl-Fron.	3	'71	99½	101½	99½
McCormicks	4	'52	101	...	101
Mercury Mills	4	'59	101½	...	101½
Moirs Ltd.	6	'53	99½	...	99½
Montreal Apts.	4	'54	97	99	97
N. S. Stl. Coal	3½	'63	98	100	97½
Price Bros.	3½	'66	102½	104½	102
Silv. Dairies	4	'60-64	101½	...	101
Do.	4	'71	99	101	99
Simpsons, Ltd.	3½	'60	102½	104½	102½
Toronto Elevat.	3½	'66	101½	...	101½
United Corp.	4	'58	100	...	100½
†Western Grain	5	'63	96½	98½	98
York Kt. Mills	3½	'71	100	...	100

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
▲Payable in Can. or U. K.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Calgary Pwr. 1st mtge.	5%	1960	May 31	103
‡Do.	6%	1964	May 31	104
‡Cooksville Co. 1st mtge. ser. 2½-3½%		1947-53	June 16	100½
‡Do.	4%	1954-58	June 16	102
‡Bell Tel. 1st mtge. series B	5%	1957	June 1	105
Dom. Coal 1st mtg. ser. A & '39 ser.	4½%	1952	June 2	101
‡Gen. Brock 2nd mtge.	3%	1954	June 1	par
Inter City Baking 1st mtg. ser. A	5½%	1948	July 1	100½
‡King Ed. Htl. gen. mtge. deb.	3½%	1957	June 1	par
‡Lon. Can. Invest. ser. A deb.	4½%	1948	June 1	105
‡Maritime Tel. & Tel. 1st mtg. ser. C	4%	1967	July 1	105½
Moirs 1st mtge. bonds	6%	1953	July 1	Par
Phillips Elec. 1st mtge. ser. A	4½%	1956	June 1	103½
Sao Paulo Elec. 1st mtge.	5%	1962	July 1	Par
‡West Can Hyd El 1st mtge.	6%	1950	July 1	102
‡Do.	4½%	1978	July 1	103
‡Do. ser B deb	5½%	1966	July 1	104

‡All outstanding.

Municipal Bonds

May 27, 1947

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55-67	103	105½	2.95
Vancouver	3	'67	99	102	2.87
Calgary	3½	'51-61	101½	104½	2.25
Edmonton	3½	'49-59	100½	103½	1.78
Regina	3	'64	98½	101½	2.89
Moose Jaw	3-3½	'60	98	101	3.20
Winnipeg	2¾	'66	98	101	2.68
Ottawa	3	'54	104	106	2.10
Toronto	2¾	'72	100	101½	2.67
Hamilton	3	'53	104½	106½	1.85
Windsor	2½	'75	84	87	3.20
Windsor	2¾	'75	89	92	3.18
Windsor	3½	'75	98	101	3.45
Montreal	3	'70	99	101½	2.92
Quebec	2¾	'66	98	100	2.75
Halifax	3	'66	101	103	2.80
Saint John	3½	'65	105	107½	2.97

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$15.06	$14.70	$12.30
Hogs	21.60	21.60	19.85
Copper, lb.	.21½	.21½	.12
Sugar, raw, lb.	.06185	.06185	.04205
Coffee, lb.	.22¾	.22¼	.09¾
Hides	.25	.25	.15½
Weekly Indices			
U. S. Labor	146.7	146.7	108.2
Dow Jones	127.46	130.01	109.89
Fishers	159.8	159.0	118.6
Monthly Indices			
Retail (Apr.)	130.6	128.9	120.8
W'sale (Mar.)	120.4	118.1	105.6
U. S. (Feb.)	144.6	141.5	107.7
Gt. Brit. (Feb.)	183.2	181.6	171.8

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

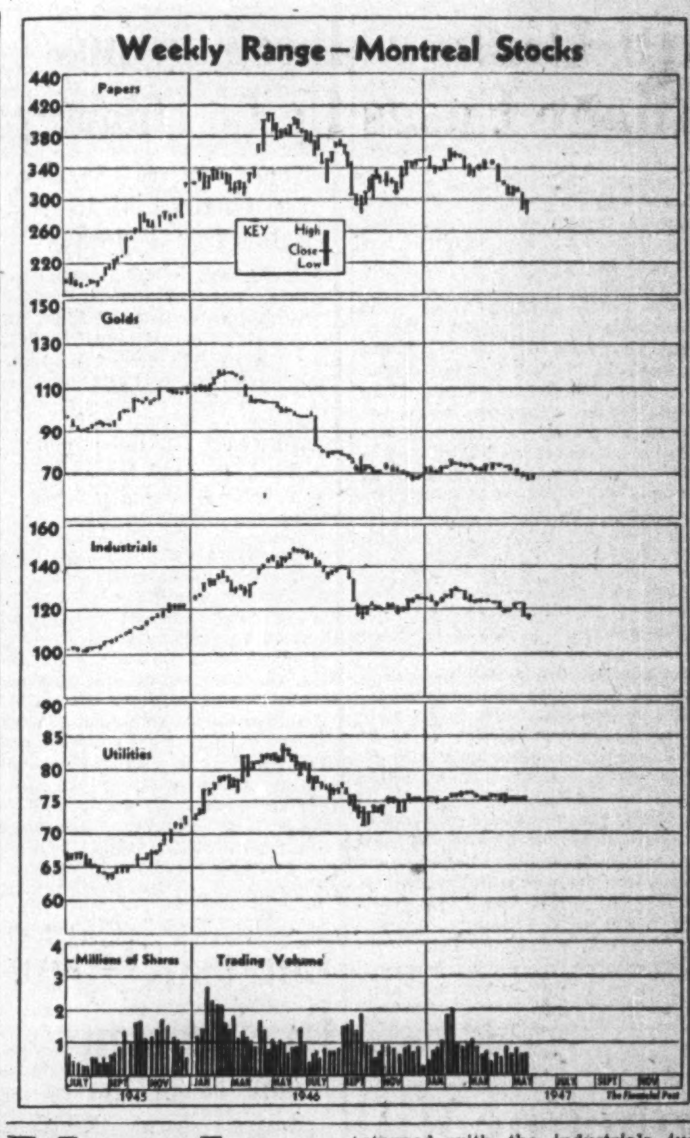
Stock Redemptions

Company:	Rate	Date	Price
‡Algoma Steel Corp. pf.	5%	July 1	100*
‡Calgary Power Co. Ltd., pref.	6%	June 16	105*

‡All outstanding shares. *Plus accrued dividends.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.01	4.38
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.40	4.90
Can. Inv. Corp.	7.35	8.25
Commonwealth Int.	3.37	3.70
Corporate Inv.	8.85	9.50
Trans-Canada, A	12.85	...
Do., B	...	12.75



Market Comment

Despite the stock markets' rebound from the low of last week, an attitude of uncertainty is still the dominating market factor. Sentiment still seems to be leaning to the pessimistic side, with inherent values receiving little attention. However, response to good news is said a little better — an encouraging factor.

Strongest market action in the past week was shown by the gold stocks, whose index showed over a 12% rise. Renewed talk of an increase in the price of gold which was sparked by the announcement of McIntyre Porcupine Mines' storing of gold and by the exchange situation accompanied by U. S. buying, was the main factor in this strength (see story page 23).

Industrial stocks showed about the same recovery as was experienced in the N. Y. market. Lower volume and a general dullness was evident in this group at midweek.

Although reports in the new Leduc oil field continue favorable, the western oils group did not display any great strength.

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Barron's (New York) The Trader: "There is no gainsaying that the market has once more withstood, in surprising fashion, a savage selling wave now almost a year after the 1946 peak; and if it holds or turns dull on another decline, it will be withdrawing its forecast of breakers ahead."

• • •

Barron's (New York) The Dow Theorist: "Recovery in the Dow-Jones railroad and industrial averages last week, after they had stopped with the industrials just barely above the low of last Oct. 9, was not of sufficient duration to be called even a minor uptrend under the Dow theory. However, if the averages now should decline and halt above the recent lows and then resume their advance and top whatever proves to be the high on the current move, the sequence could be called a minor uptrend. Secondary uptrends consist of series of minor trends, so the market now must start at the very beginning of such a sequence if it is going to establish such an intermediate upward move. Penetration by the industrials of last year's low would confirm the implication of the rails that the bear market has been resumed."

• • •

New Highs and Lows

During the week ended May 23 eight new highs were recorded among the "general" stocks traded on Canadian stock exchanges, and 107 new lows. In the mining group there were seven new highs and 100 new lows. Eight new highs and one new low were recorded in the oil stocks.

GENERAL

New Highs—1947

Canada Cottons; Gr. West Felt; Do., pref.; Inter-City Baking; Lake St. John Pwr.; Ontario Loan; Simon & Sons; Sterling Coal

New Lows—1947

Abitibi Pr. & P.; Do., pref. $1.50; Acadia Atl. Sugar; Do., pref. 5%; Argus Cp. pf. 4½%; Asbestos Corp.; Bank of Toronto; Bathurst Pwr. "A"; B.C. Pulp & P.; Beatty Bros. "B"; Biltmore Hats com.; Do., pref. A; Brazilian Traction; Br. American Oil; B.C. Pulp & Paper; Brown Co.; Do., pref.; Building Prod.; Caldwell L. 2nd pf.; Canada Bread; Canada Cement; Canada Steamship; Can. Car & Fdry; Can. Celanese; Can. Food Prod. A; Do., pref.; Can. Indust. Alc. A; Can Marconi; Can. Pacific; Can. Pwr. & P. pf.; Can. Utilities; Can. Westinghouse; Chemical Research; Coch. - Dunlop A; Cockshutt Plow; Comm. Alcohols; Cons. Paper; Cons. Press A; Do., B; Cons. Textile pref.; Cons. Smelt.; Distill.-Seagram; Dom. Stores; Dom. Tar & Ch. pf.; Dom. Woollens; Donnacona; Eastern Steel; Eddy Papers; English Electric A; Fanny Farmer; Federal Grain; Do pref.; Fleet Aircraft; Foundation Co.; Fraser Co.; Gen. Bakeries; Gen. Products A; Gen. Steel Wares; Gr. West Felt pf.; Gr. West Life; Greening Wire; Gypsum Lime; Halifax Fire; Hamilton Bridge; Hamilton Cotton; Harding Carpet; Hayes Steel; Hinde & Dauch; Howard Smith P.; Indust. Ac. p. 4¼%; Ingersoll Machine; Int. Nickel; Int. Paper; Int. Pete.; Int. Utilities; Laura Secord; Loblaw A; Do., B; Maple Leaf Milling; Massey-Harris; Minn. & Ont. P.; Robt. Mitchell; Mtl. Locomotive; Montreal Tele.; Moore Corp.; Mount Royal Rice; Ontario Steel; Orange Crush; Power Corp.; Price Bros.; Provin. Transport; Quinte Milk A; P. L. Robertson pf.; Robinson Cot.; Scarfe & Co.; Simpsons A; Do., B; St. Law. Corp. p. A; Standard Chem.; Stedman Bros.; Toronto Mortgage; Traders Fin. A; Twin City; United Steel; Walker Good; Western Grain; Geo Weston

MINING

New Highs—1947

Dexter Red Lake; El Sol; Kirkland Lake; Lamaque Gold; McIntyre Mines; Tech Hughes; Uchi Bds Stamped

New Lows—1947

Akaitcho; Alger; Amal. Larder; Amer. Neph.; Anglo-Hur.; Anglo-Rouyn; Aquarius; Area; Aumaque; Band Ore; Beaulieu; Berwick; Boycon P.; Bralorne; Broulan; Callinan; Canusa; Cariboo; Celta Devel; Cheskirk; Chimo; Coniagas; Cons. C. Cad.; Cortez; Cournor; D'Aragon; Dentonia; Detta R.L.; Discovery; Diversified; Dulama; Duquesne; Elder; Eureka; Francoeur; Giant Y'fe.; Gillies L.; Gold Crest; Gold Eagle; Golden Arrow; Grull W.; Gunnar G.; Halcrow; Halliwell Gold; Hallnor; Hard Rock; Hedley M.; Hollinger; Inspiration; Jack Lake; Jacknife; Jack Waite; Joliet Que.; Ray Rand; Kirk. G.G.; Laguerre; Lumward; MacLeod; Malartic; Martin McN.; McMarmac; McWatters; Mining Corp.; Mylamaque; Negus; New Bidl'e.; New Calumet; Nicholson; Noranda; Norbenite; Normetal; Ogama Rock; Orenada; Osulake; Pac. East; Pandora; Paymaster; Pend O.; Pice'y Porc.; Pickle Crow; Powell Rou.; Premier Gold; Quemont; Rouyn M.; Salmon G.; Santiago; Sigma; Springer Stur.; Steep Rock; Sudbury C.; Surf Inlet; Thurbois; Toburn G.; Trans. Res.; Upper Can.; Ventures; Waite Am.; Wiltsey C.; Wingait; Wright-Har.

OILS

New Highs—1947

Hargal; Homestead N.; McD. Segur; Mercury; Mill City; New Valley; Spooner Oils; United Oils

New Lows—1947

Texas Can.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments, Offerings of Corporations and Foreign Securities

DOMINION

Dominion of Canada Treasury Bills—Due Aug. 29, 1947, $75,000,000 dated May 30, 1947. Offered by Bank of Canada.

PROVINCIAL

Pprovince of Prince Edward Island, 2¾%, due May 15, 1960, $1,000,000, issued May 12, 1947, at $100.85, to yield approximately 2.67%. Sold to A. E. Ames & Co., Ltd.; Dom. Securities Corp.; Wood, Gundy & Co.; and Eastern Securities Co. Ltd.

MUNICIPAL

Pontiac Community Hospital, Shawville, Que.—3%, due Jan. 1, 1962, $250,000 at $100 and accrued interest. Offered by Paul Gonthier & Co.

Les Syndics de la Paroisse de Ste.-Paule, St. Jerome, Que.—2½% & 3%, due May 1, 1967, $165,000 at $100.25 and accrued interest. Offered by Paul Gonthier & Co.

La Congregation des Freres de L'instruction Chretienne — 2½% due April, 1948-52, $66,500 and 3% due April, 1953-72, $383,500. Issued May, 1947, at $100 and accrued interest. Offered by Paul Gonthier & Co.

Carterville Sanatorium, Montreal, Que. —3% due May, 1948-57, $75,000 and 3½% due May, 1958-67, $325,000. Dated May 1, 1947 at $101 and accrued interest. Offered by Paul Gonthier & Co.

Ste. Therese de Lisieux (Beauport Parish) P.Q., 3% due 1948-77, $70,000, issued May 10, 1947, at $100.46, cost basis 2.967%. Sold to La Corp. de Prets de Quebec; Oscar Dube & Co., and J. E. Laflamme Ltd.

Board of School Trustees of City of Moncton, N.B., 2½%, 2¾% and 3%, due June 1, 1948-67, $60,000, issued May 12, 1947 at $101.71. Sold to Bank of Nova Scotia; Dominion Securities, and F. J. Brennan & Co.

Town of La Salle, P.Q., 2½%, due May 1, 1948-67, $269,400, issued May 14, 1947 at $98.129, cost basis 3.47%. Sold to L. G. Beaubien & Co. Ltd.

Town of Waterloo, P.Q., 3% due May, 1, 1948-67, $55,000, issued May 15, 1947 at $101.56, cost basis 2.84%. Sold to McTaggart, Hannaford, Birks & Gordon.

Village of Richmond Hill, Ont., 2¼% & 3% due 1948-67, $98,000, issued May 16, 1947 at $101.03. Sold to Bell, Gouinlock & Co.

City of Sarnia, Ont., 2½% & 3% due 1947-65, $482,013, issued May 16, 1947 at $103.64, cost basis 2.43%. Sold to Bank of Toronto.

Town of Coaticook, P.Q., 2½% due Apr. 1, 1948-62, $50,000 issued May 19, 1947 at $99.7978. Sold to A. E. Ames & Co. Ltd.

City of Peterborough, Ont., 1¾% & 3%, due June 30, 1948-67, $198,000, issued May 19, 1947 at $102.22. Sold to Bank of Montreal.

City of St. Catharines, Ont. 2% & 2½%, due Mar. 15, 1948-67, $613,000, and 2½% due Dec. 1, 1947-56, $77,433.84. Issued May 19, 1947 at $100.037. Sold to Burns Bros. & Denton and Midland Securities.

School District No. 14 (Southern Okan-67—1958-67, issued May 19, 1947, at $100. Offered by McMahon & Burns.

CORPORATE

Calgary Power, 3¼%, First Mortgage Bonds, due 1972, $11,000,000, dated June 1, 1947, at $103 and accrued interest. Offered by Royal Securities Corp.

Cooksville Company, 2¾% & 4%, due June 1, 1948-55—1967, $750,000, issued May 19, 1947 at $100. Sold to W. C. Pitfield & Co.

PREFERRED STOCKS

Calgary Power — $5,000,000, 4%, cumulative redeemable preferred shares (par value $100) at $100 per share. Offered by Royal Securities Corp.

Central Northern Airways, 20,000 class A shares, at $10 per share to yield 5%. Each class A share will carry a bonus of one class B share. Offered by Melady Sellers & Co., Winnipeg.

Crude Rubber Price Off 26%

Fears that the price of natural rubber might jump when free trading was resumed on May 1 have proved groundless. The New York price of crude had dropped to about 15¾c. lb. for September delivery at the end of last week—26.5% below its 21.45c. price of May 1. (The 1939 average price of rubber in New York was 17.66c. lb.)

At the close last week the price of crude laid down in Canada would be below the price of Canadian synthetic rubber, it is pointed out. (Based on the 15¾c. price, the laid-down cost of crude in Canada would be about 17½c., it is stated. This compares with the 18½c. lb. present Canadian price for synthetic rubber). Whether this means that the price of synthetic will have to be reduced, remains to be seen. It will depend on the future price trend for natural rubber. A strengthening in the price was seen early this week.

Special factors account for the price drop, according to rubber experts. The chief factor is that the large U. S. processors are not in the market buying. It has been always a practice to have crude rubber inventories low in the summer, it is stated. However, there is also some concern among the U. S. manufacturers about the forward position of the finished rubber goods inventories, it is believed.

The future buying policy of the U. S. processors will play an important part in deciding the price question. With the 1947 crude rubber supply estimated at 1.2 million tons and world demand at 1.7 million tons (without allowing for stockpiles) there is a 500,000-ton shortage in natural rubber. But one estimate has placed the world's 1947 synthetic production at about 800,000 tons, so that total output of crude plus synthetic would more than equal demand. The question is, what will be done about the excess?

In any case, Canadians, with their interest in Polymer Corp., will be keeping a close watch on the future of rubber prices.

SHAWINIGAN WATER & POWER CO. introduced a welcome innovation in its 1947 first quarter financial statement and dividend cheques recently sent to shareholders. In an attractive format the company gave its shareholders an over-all report on the company's operations, in both French and English.

Operations of the company were covered under five main headings: expanding revenue, additional refinancing; new power development; new industries and Shawinigan Chemicals. In the report president James Wilson stated that revenues from sales of power for industrial, commercial and domestic uses for the first quarter of 1947 were at a higher level than 1946. Many industries have increased their demands for power, he stated.

Shareholders were also informed that as a result of the refunding of $13,806,500 4% bonds for a like amount at 3¼% the company will save $103,549 in interest charges.

At the new Shawinigan Falls development the headrace cofferdam is in place and excavation for the gatehouse has begun. Pouring of concrete for the power house substructure will be started during the next two or three weeks, it is stated.

It is also pointed out that the number of new industries which have started in the area served by Shawinigan mean new customers for power. Some of these new industries are; Canadian Celanese at Sorel; Wabasso Cotton, Grand'-Mere; Goodyear Tire & Rubber, Ekco Products, Quebec City; Andreef Sporting Goods, Ste. Therese; Mason Spinning Mills, Cap le la Madeleine. These new industries will provide permanent employment for approximately 4,000 additional workers, Mr. Wilson stated.

Dealing with the Shawinigan Chemicals the report states that demand for chemicals has been sustained at a high level. There has been a shortage of material for calcium carbide containers, but supplies are coming in. Satisfactory progress is being made in the construction of additions to the Canadian Resins & Chemicals plant.

According to a company statement, this quarterly report is made in accordance with the policy of keeping shareholders informed regarding company activities. A short announcement of general interest will be enclosed with each quarterly financial statement.

Sulphuric Acid Plant Under Way at Hamilton

Concrete foundations are being poured for another of the "buildingless" plant structures becoming common in Canada's fast-grown chemical and oil industries. It is the new $1 million 200 tons a day sulphuric acid unit at Canadian Industries Ltd., Hamilton, Ont.; engineer and contractor, Leonard Construction, Chicago; foundations and building, Pigott Construction, Hamilton.

All working parts will be entirely in the open, with only one small control building. Such design speeds erection, cuts costs. A self-contained power system is another feature — it will use steam generated in acid making as power source; won't need other fuels.

STARLIGHT MINES is arranging to resume diamond drilling on the No. 1 property in Louvicourt twp., Que. In earlier program, over 6,000 ft. of drilling was completed.

Ontario Security Commission Options

Company:	Underwriter:	Purchased (Underwritten) Shares	At c.	Date	Option No. Shares	Received Price Range c.	Capitalization Author. Shares	O/s Shares	Accepted
Centrix Y'knife M.	C. McGregor†	......	..	Feb. 10	1,000,000	5-15	3,000,000	1,040,005	May 9
Dougron G. M.	W. T. Davidson†	......	..	Feb. 20	1,000,000	7-30	3,000,000	1,060,005	May 10
Ligneris Goldfields	Continental Diamond Drilling	300,000	5	Apr. 14	200,000	5	3,500,000	1,400,005	May 6
Ligneris Goldfields	Federal Trading & Agency Co.†	......	..	Mar. 20	1,899,995	10-$1	3,500,000	1,400,005	May 6
Merr G. M.	J. B. Miller	200,000	7½-10	Mar. 13	800,000	12½-40	3,000,000	540,705	May 9
New Telluride G. M. of Canada	C. D. Lugsdin†	......	..	Feb. 3	500,000	15-27½	3,000,000	1,506,155	May 9
Pambelle Mining Co.	Baylord Securities	50,000	5	Apr. 22	900,000	5-25	....	....	May 6
Raico Exploration Co.	Shares approved for sale through any registered broker in Ont. on basis of 75% of proceeds to treasury.						100,000	41,907	May 9
Sirola G. M.	Shares approved for sale through any registered broker on basis of 75% of proceeds to treasury.						3,000,000	966,005	May 10
Brunette Porcupine G. M.	E. S. Braddock†	......	..	Apr. 18	1,000,000	7½-50	....	....	May 14
Chesgo M.	H. J. Greenaway	100,000	15	Feb. 28	100,000	25	3,000,000	1,500,005	May 16
Cradgene Mining Corp.	H. C. Hogg	100,000	7½	Apr. 21	875,000	7½-25	....	....	May 14
Grand Calumet Mng. Co.	R. J. Jowsey & New Calumet M.	200,000	15	Nov. 30	......	......	3,000,000	1,103,333	May 14
Kekelac G. M.	J. Shannon†	......	..	Mar. 17	1,500,000	5-10	4,000,000	1,333,338	May 12
Leadsil Prospecting Synd.	Canaska Explorers†	......	..	Feb. 26	2,400	$5	10,000	3,852	May 12
Marrias Nickel Prospecting Synd.	Cornell & Co.†	......	..	Apr. 1	2,000	$3.75	35,000	11,001	May 14
Mistassini Lead Corp.	Dome Exploration (Can.)	500,000	20	Apr. 25	1,600,000	40-$1.20	3,000,000	1,250,007	May 16
Quebelle Mines	Geometal M.	400,000	2½	Feb. 7	1,200,000	10-$1.25	3,000,000	600,005	May 16
Verlac G. M.	J. W. Taft	100,000	5	Feb. 26	1,400,000	7½-25	3,000,000	1,252,667	May 15
Western Quebec M.	Shares approved for sale through any registered broker in Ont. on basis of 75% to treasury.						....	....	May 14

†Optionee.

AMENDMENTS TO PREVIOUS AGREEMENTS

Assigned: Elder Mines.
Abandoned: Found Lake Gold Mines.
Cancelled: Pambelle Mining Co., Brunette Porcupine Gold Mines, Rico Rouyn Mines.
Accepted for Filing: Dean Lake Prospecting Synd.
Extension: Bambi Mines, Boise Yellowknife Mines, Caramora Porcupine Mines.
Terminated: Kenridge Red Lake Mines.
Amended: LaSalle Yellowknife Mines.
Null and Void: Redpointe Gold Mines.

Stocks Bonds
ELGIN 9241
HUTSON & DINNICK
Members: The Toronto Stock Exchange
Private Montreal Wire
Toronto General Trusts Bldg.
253 Bay Street Toronto

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J. E. GRASETT & CO.
244 BAY ST. TORONTO
Members The Toronto Stock Exchange WA. 4781
Branch DUNDAS & HEINTZMAN AVE. WEST TORONTO JU. 1167

Following a Directors' Meeting at the Company's head office in New Glasgow, the appointment of Clyde F. Cameron, M.Sc., as Manager of Maritime Steel and Foundries, Ltd., was announced. He succeeds his late father, H. Scott Cameron, as operating head of the concern which bases its Maritime wide operations in New Glasgow.

Native of New Glasgow, the 34-year-old Manager of the Foundry and Structural Steel Company is a graduate of the Royal Military College, Kingston, and an M.Sc., of Massachusetts Institute of Technology. He is a member of the Engineering Institute of Canada, and the Association of Professional Engineers of Nova Scotia.

First associated with Maritime Steel and Foundries, Ltd., in 1936, during the war years he served, from 1939 onwards, with the Royal Canadian Engineers, retiring in 1945 with the rank of Major. He was first engaged on the East Coast of Canada with Defense Works under Headquarters Atlantic Command, and after staff appointments in Canada and overseas he qualified at the 6th Canadian War Staff Course. Later he became Staff Officer RE I (Mechanical Equipment) at Headquarters of 21st Army Group, with the Rank of Acting Lieutenant Colonel. His last military appointment was Officer Commanding a Field Park Squadron with the 4th Canadian Armoured Division.

After retirement from the Army, he returned to Maritime Steel and Foundries, Ltd., as Assistant to the General Manager.

Kirk. Lake Ore Grade Still Higher In Month of May, But Tonnage Eases

By GORDON M. GRANT

With probably more high grade ore news made in 1946-47 than in any previous period in its history, Kirkland Lake Gold Mining Co. is now experiencing a major upswing in its gold production and earnings, The Financial Post is informed. So significant have been ore developments since the end of 1946 that the management has decided to forward an interim statement to shareholders shortly.

It is understood that semi-annual reports will also be inaugurated.

Recovery Up Sharply

What rapid development of exceptional high grade ore can mean is rapidly being shown in the trend of production.

Average recovery in 1946 was $11.97 a ton with an average of 250 tons of ore treated daily. In the first quarter of 1947, average recovery was $16.66 a ton with a bullion output of $400,364. Value was almost 30% above the preceding quarter.

In April, mill heads averaged over $20 with the mill treating an average of 268 tons daily during the month. In May, average recovery has worked still higher but tonnage of ore milled daily is down a little due to some deterioration in the labor supply picture.

Establish High Grade Extent

Major new ore disclosures have been had in work on both the 5,340- and 5,450-ft. levels in the western ore area and the greater part of present work is continuing at these horizons. On the 6,340-ft. level work is being done to establish the horizontal and vertical dimensions of the section where several veins came together and gave a 23.2-ft. width averaging 2 oz. gold, uncut grade.

This wide section is known to exist for a length of well over 100 ft. from underground work and drilling. A drill hole to the west gave $22.75 over 21 ft. while a drill hole to the east gave 8.6 oz. cut over 8.5 ft.

During 1946, a total of 2,057 ft. of ore was opened up averaging $23.50 a ton across a 3-ft. width. Early this month, a total of 1,155 ft. of further ore had been opened, averaging well over twice this grade across the same average 3-ft. width. In some sections, there have been important indications of greater width and numerous intersections of ore grade and parallel veining have been cut in underground diamond drilling.

There is estimated to be at least 2,500 ft. of ore opened on the 5,450-ft. level and while the ore footage so far outlined on the level above is not so great, indications are that the grade is higher.

On the 5,450-ft. level ore has been drifted out to the west with the ore coming to an end at a point about 150 ft. from the Macassa boundary. Work has been proceeding to the east in a section where drilling had previously indicated ore.

Within the next week, the company expects to start driving the 5,850-ft. level to test the ore zone at this horizon. About 600 ft. of advance will be required to get into the indicated downward extension of the high grade ore of the 5,340- and 5,450-ft levels. The rate at which this work can be completed will be contingent on labor supply available.

If labor were available, production could almost immediately be stepped up in both terms of tonnage and dollars.

Labor supply has slipped a bit this month. In the spring, farmers usually return to their summer activities and absenteeism has tended to increase, it has been found.

There has been considerable speculation as to what treatment of high grade ore at Kirkland Lake Gold Mining Co. will mean by way of extra earnings. In 1946 when recovery averaged $11.97 a ton, operating costs, exclusive of taxes and administrative expenses, worked out at $9.58 a ton.

At the company's annual meeting in February, it was reported that the increase in wages had lifted operating costs by 65c. a ton. Cost of supplies had also advanced by an estimated 20%, it was stated. With an increased tonnage of ore expected to be milled, however, the increase in costs is not expected to be particularly "steep." When and as gold mining companies decide to pay increased dividends, Kirkland Lake Gold Mining Co. will probably be one of the leaders in initiating higher payments. The present milling unit has rated the capacity of 400 tons daily but due to the exceptionally high grade character of ore being delivered to the mill, it is doubtful if tonnage will be carried much above 300 tons a day when adequate labor is on hand. Beyond 300 tons daily, extraction of gold might be affected unfavorably.

Inco Earnings Up 1st Quarter

Net of 51c. up 16c. Over 1st Quarter 1946 But Below Last 3 Months

International Nickel Co. of Canada net profits increased 41.9% and sales jumped 37.8% in three months ended Mar. 31, 1947, over the similar period of 1946. Net profits were $7,929,845, or 51c. a share compared with $5,588,055, or 35c. in 1946.

Profit in final three months last year had been $10,125,343 or 66c. a share after preferred dividends.

Net sales totalled $39,866,118 in first three months of the current year as against $28,924,881 in comparable quarter of the preceding year and $40,462,003 in final three months 1946.

Consolidated balance sheet at Mar. 31, 1947, shows current assets of $160.1 millions, of which $27.5 millions was cash, $44.2 milions short-term securities, $27.3 millions in government securities, $15.5 millions accounts receivable and $45.6 millions in inventories. Current liabilities totalled $18.1 millions, leaving net working capital $142 millions up $6 millions from Mar. 31, 1946.

CITRALAM MALARTIC MINES is sending in an engineer to direct preliminary work on company's new holdings in the Lynn Lake area, Man. Geology is considered favorable on this acreage which is bounded by southeastern portion of the main Sherritt Gordon property and southern boundary of Baker Lake Explorations.

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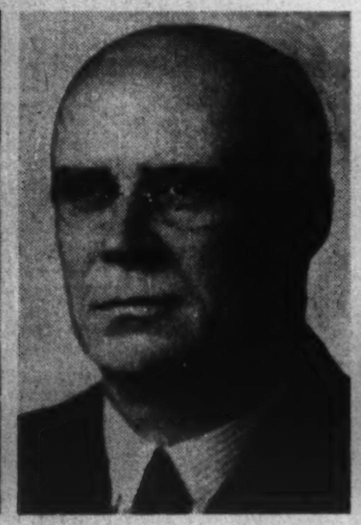

HUGH MACKAY

ROBERT FENNELL, K.C.

Announcement is made that Messrs. McDougald, Mackay and Fennell have been elected directors of St. Lawrence Paper Mills Company Limited, Lake St. John Power & Paper Company Limited and Brompton Pulp & Paper Company Limited.

Mr. McDougald of Taylor, McDougald & Co. Limited is Chairman of the Board of Commonwealth Electric Corporation, Vice-President of Crown Trust and Guarantee Company, Orange Crush Limited, and is a director of St. Lawrence Corporation and Dominion Stores Limited.

Mr. Mackay, President of W. C. Pitfield & Company, is a director of The Bank of Nova Scotia, Wabasso Cotton Company, Standard Chemical Company, Donnaconna Paper Company, St. Lawrence Corporation and Ottawa Light, Heat & Power Company.

Mr. Fennell of the legal firm of Fennell, McLean & Davis, is Vice-President of National Life Assurance Company and is a director of Eversharp International Inc., United States Plywood of Canada, St. Lawrence Corporation and Toronto Carpet Manufacturing Company.

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CONTINENTAL DIAMOND DRILLING & EXPLORATION CO. says that 107,666 ft. of drilling was handled for gross earnings of $243,352, in first four months of 1947 (101,670 ft. for $220,386 in same period 1946).

Homestead Plans Leduc Drilling

Plans call for drilling of holdings of Homestead Consolidated Oil Co. in the Leduc area as soon as possible and an announcement regarding location of Leduc No. 1 well can be expected soon, a report to shareholders states.

Homestead now holds 1,440 acres, subject to a royalty of 12½%, which is stated to be the largest holding of any company in the area, outside of Imperial Oil. The acreage lies in a southeast line from the Imperial Leduc wells and is stated to be favorably located on the basis of the theory that Alberta oil fields have a northwest-southeast trend.

Prices for crude in Alberta similar to Leduc crude are reported at $3 a barrel.

A total of 14,000 acres is also held in the Baxter Lake area, 130 miles east of Leduc, and Homestead Baxter Lake No. 1 has been located on what is believed to be a structural high.

Homestead owns a block of shares in Standard Pacific Petroleums (successor to South Princess Syndicate) which is controlled by California Standard Co. Homestead holds 320 acres in this section directly and also holds a reservation on 9,600 acres 20 miles to the northwest of South Princess No. 3 well.

American Nepheline Mill Is Placed in Operation

The new modern 300-ton mill of American Nepheline Ltd. was placed in operation this month, following completion by the Ontario Hydro Commission of a 27-mile power line to the plant at Blue Mountain, 35 miles northeast of Peterborough, Ont.

Erection of the new plant reflects the growing demand for nepheline syenite for use in the American glass, porcelain, pottery and enamel markets, and the presence at Blue Mountain of nepheline syenite deposits, whose physical characteristics make it uniquely acceptable to the United States trade.

The Lakefield nepheline syenite deposits at Blue Mountain are reported as far the most extensive and least contaminated deposits located in Canada. The main deposit forms a pear-shaped ridge rising some 250 ft. above the level of the surrounding country and is approximately five miles long by 1½ miles across at its widest point.

Approximately 5,500 ft. of diamond drilling in a localized area on the surface of the mountain during 1945146, disclosed 900,000 tons of nepheline syenite with a low corundum content (below 0.20%) and approximately two million tons of a higher corundum content. This ore was blocked out to a depth of 150 ft. in a relatively small area measuring 500 by 600 ft.

The 900,000 tons of material with a low corundum content will be sufficient for operation of the mill for eight years with relatively simple dry-grinding and magnetic separation.

The plan of plant reorganization completed by American Nepheline was designed to eliminate previous uneconomical methods of operation. Operation of the old mill at Rochester had run into losses because of high cost of transportation, covering waste materials, high wages, power and general costs, and heavy expenses for experimentation.

Inquiries from a number of leading glass and pottery manufacturers show that not only can the increased tonnage be sold, but that a further expanding market is available for the company, it is stated.

Shipments of nepheline syenite to the United States have been steadily increasing.

Lingman Opens Ore Sections

Both North and South Zones Now Yielding Commercial Values

While details received by wireless are sketchy and average values for sections have yet to be provided, Lingman Lake Gold Mines reports commercial grade values secured underground on both its north and south ore zones.

Drifting west on the north zone at the 150-ft. level was carried 52 ft. from May 7 to 17 and best face assays of each round ranged from 0.03 oz. over 4.2 ft. to 1.07 oz. over 4.7 ft. Four face assays showed better than 0.20 oz. The best assay in the last round preceding these nine rounds (covering 52 ft.) was 1.46 oz. over 1.5 ft.

Drifting east on the north zone in the same period was carried 60 ft. with the best face assays ranging from 0.03 oz. over 3.8 ft. to 0.61 oz. over 3.2 ft. with all but two faces showing better than 0.25 oz.

Drifting east on the north portion of the south zone at the 275-ft. level for 46 ft. gave assays ranging from 0.13 oz. over 3.6 ft. to 1.24 oz. over 1.4 ft. with all but two faces showing better than half ounce.

Assays in each case represent the best assay of several taken across the face after each round. Complete results from assaying will be received with the resumption of air mail after the break-up.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PRIVATEER MINE development in 1946 located a high-grade ore shoot in the No. 3 vein on the 1,300 level, or the deepest level in the mine. Average width and value for first 48 ft. of drifting was 2.48 oz. over 1 ft. A raise on the same ore shoot gave an average of 5.87 oz. over 0.56 ft. for a height of 125 ft., President D. S. Tait states.

A crosscut in Prident 500-ft. level workings encountered main No. 1 vein, returning an average of 1.35 oz. across 0.70 ft. for a drift length of 31 ft. Favorable ore disclosures have also been made on 1,500 and 1,700-ft. levels of the Tranquil River property. Work on this group has indicated 78,300 tons of ore averaging 0.37 oz. gold. During 1947 company plans to continue drifting and open-cutting Tranquil property until sufficient ore is indicated to justify installation of a 125-ton daily capacity mill.

Privateer is proposing to increase capital from 2.5 million to three million shares for purpose of purchasing Golden Peak group of seven claims, adjoining the mine.

CONS. INCOME ACCOUNT

Years Ended Dec. 31.	1946	1945
Bullion prod.	$66,483	......
Misc. revenue	4,361	$8,291
Less: Oper. exps.	131,702	20,078
Net oper. loss	60,858	11,787
Add: Depl. & amort.	7,427	......
Outside expl. w/o.	18,147	37,288
Shut down exps.	......	2,977
Less: Pr. on assets	5,861	2,280
Exp. deferred	......	20,000
Adj. wkmen's comp.	......	2,115
Net loss & deficit	80,571	27,657
Earns. per Share	d$0.033	d$0.011
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$49,589	$8,355
Govt. bonds	25,000	170,000
Accts. rec.	4,194	6,632
Supplies	19,629	25,960
Total curr. assets	98,412	210,947
Prep. exp.§	3,479	2,171
Def. & prep. exps.	75,110	49,904
Misc. assets‡	3,812	26,412
Prop., timber lands■	248,324	217,031
Plant & equip.▲	182,940	127,044
Deficit	8,901	......
Total assets	620,978	633,509
Bank loan	37,000	11,817
Accts., etc., pay.	45,083	12,216
Total curr. liab.	82,083	24,033
Capital stock	537,484	533,209
Surplus‡	1,411	76,267
▲After depr. of	274,184	324,755
■After depl. of	302,125	294,802
§Incl. in curr. assets in co's. report.		
‡Incl. $1,411 ref. EPT of Prident Gold.		
Working capital	16,329	186,914

OPERATING STATISTICS

	1946	1945
Tons milled	3,661	none
Average recov.	$18.16	......
Ore reserves, tons:		
Privateer	17,191	11,956
Grade ($35 gold).	$17.50	$14.60
Prident	21,196	22,000
Grade ($35 gold).	$14.35	$13.69
Total	38,387	33,956
Grade ($35 gold).	$15.75	$14.11

MAGNET CONSOLIDATED MINES ore reserves were not improved during 1946, but work carried out on the Footwall vein indicates a rough pattern as regards oreshoots on that vein, General Manager Arthur Kendall states. Knowledge secured will probably result in a more rapid development of any additional shoots on the vein.

Milling operations were resumed in March and continued throughout 1946. Proposed development for 1947 includes extension of the Footwall zone above the 6th level and sinking of a winze below the bottom, or 11th level, and opening of two levels at 150-ft. intervals.

INCOME ACCOUNT

Years Ended Dec. 31.	1946	■1945
Bullion sales	$340,746	......
Less: Oper. & gen. exp.	355,854	$17,632
Oper. loss	15,108	17,632
Less: Misc. inc.	5,209	19,773
Sec. sale	11,393	27,843
Add: Depr.	21,456	......
Net loss & def.	19,962	▲29,984
▲Profit and surplus.		
■15 mos. ended Dec. 31, 1945.		
Earned per Share	$d0.007	$0.01
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & metal	$80,307	$19,263
Dom. bds. & secs.	141,700	247,636
Accts., etc., rec.	2,616	3,590
Tax recov.	24,261	29,227
Inventories	51,991	51,401
Total curr. assets	300,875	351,117
Deferred chgs., etc.	51,149	58,703
Prep. dev.†	93,897	42,164
Mining prop.	128,257	128,257
Bldgs. & equip.*	98,504	110,501
Total assets	672,682	690,742
Total curr. liabs.	32,022	25,154
Capital stock	442,504	442,504
Earned surplus	198,156	223,084
†After amort.	397,543	297,588
*After depr.	344,799	323,343
Working capital	268,853	325,963

OPERATING STATISTICS

	1946	1945
Tons milled	†26,018	......
Aver. recov.	$13.10	......
Ore reserves, tons	36,500	*45,250
Grade ($35 gold)	$11.83	*$12.60
*At Apr. 1, 1946.		
†March to Dec. 31.		

GUNNAR GOLD MINES net profit increased over $14,000 to $15,205 in 1946 as a result of profits realized on sale of investments. Options were secured on three properties located on north-west side of Hollinger Ross mine in Hislop twp., Ont., where diamond drilling is planned this year.

An option on the Byberg property in Guibord twp. was dropped after completing considerable diamond drilling. Company's investment in McBine Porcupine Gold Mines was increased to 447,000 shares.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Operating loss	$20,547	$20,956
Add: Other income	13,020	19,997
Invest. sale	29,986	981
Mng. cls. sale	......	6,375
Net earnings	22,459	6,397
Less: Misc. exp.	7,254	7,406
Net prof. & surp.	15,205	*1,009
*Loss or deficit.		
Earnings per Share	$0.0056	d$0.0004
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$6,289	$2,994
Accts., etc., receiv.	10,559	5,855
Mkt. secs.*	634,709	573,680
Inventory	5,561	4,798
Total curr. assets	657,118	587,327
Other invest.	31,110	125,580
Prep. chgs., etc.	153	137
Optioned properties	96,441	58,967
Mining claims	195,012	195,012
Plant & equip.▲	84,564	84,184
Total assets	1,064,398	1,051,207
Accts. payable	2,192	4,205
Prov. for taxes	4,164	4,164
Total curr. liab.	6,356	8,369
Capital stock	865,394	865,394
Surplus	192,648	177,444
▲After depr. of	351,775	350,197
*Market value	1,577,069	654,669
Working capital	650,762	578,958

MINING CONCENTRATES

DULAMA GOLD MINES reports finding a vein approximately 500 ft. north of base line. Trenching has disclosed a width of 20 ft. where uncovered, but mineralization so far is reported sparse.

* * *

HEVA GOLD MINES has announced plans to curtail development until new financing arrangements can be completed. Negotiations now reported in progress deal with a bond issue designed to provide approximately $700,000, an amount estimated as sufficient to install permanent large capacity mining plant and 300-ton mill. A portion of the necessary equipment has been ordered from Mic-Mac Mines, which is holding the equipment for Heva's account.

* * *

VINCENT MINING CORP. sold its interest in Fleet Manufacturing & Aircraft and Silver-Miller Mines in 1946 at a profit, President Norman Vincent, states in annual report. Net gain from operations during period May 19, 1945, to Dec. 31, 1946, was $289.

The company has management control of 27 mining companies and seven industrial operations. During 1946 the company secured control of Bickle-Seagrave, incorporated Rollins Gears Ltd. and brought Universal Insulations into production. Sales of Mica Co. of Canada and subsidiaries reached a record of over $500,000. Since return of Continental Coal Corp. from government operation to the company, the operation has been handled by Southern Alberta Coal Co. on a royalty basis.

Considerable acreage was acquired directly or through subsidiaries in the Lynn Lake area, Man. Baker Lake Explorations has since been formed to develop a portion of the acreage.

Current assets of $407.644 at Dec. 31, 1946, included $330,673 advances to associated companies and $75,595 in accounts receivable. Current liabilities totalled $150,860, leaving working capital $256,784. Mortgage payable was $59,860 and 5% debentures outstanding amounted to $750,000.

Release From Escrow

Company:	No. Shares	Release Date
Chibou-Wica Goldfields	105,000	June 3
Indian Lake Gold Mines	275,250	May 31
Lencourt Gold Mines	100,000	June 6
Northland Mines (1940)	940,000	June 6
Richmac Gold Mines (1936)	240,997	June 3
Thaddeus Gold Mines	173,000	May 29

Underground Drilling Commences at Vinray

Diamond drilling from the 125-ft. level of Vinray Malartic Mines in Malartic twp., Que., has got under way, Geologist W. R. Bacon tells The Financial Post. A series of flat holes are being put out from this horizon to explore the indicated ore body and to correlate a number of surface drill holes which returned scattered values.

Shaft sinking has gone just beyond the 125-ft. level and for the present all work will be concentrated on lateral exploration of the level.

Higher Barite Output N.S. Mining Feature

Coal production increased 190,231 tons to 5,367,701 short tons and barite operations were greatly expanded, the 1946 annual report of the Nova Scotia Department of Mines, shows. Diamond drilling of barite deposits at Walton, Hants County, proved an extension of the ore body, with an increase in ore reserves.

A new 25-ton per day flotation plant installed at Malagash, Cumberland County, resulted in an improved salt product. Trial runs on the new process producing fishery grade salt were made and the products are now being tested in commercial fisheries.

KOOTENAY BELLE GOLD MINES plans to resume milling of dump ore as of June 1, 1947, or as soon thereafter as weather conditions permit, President J. L. Trumbull states in 1946 report. Ore can be milled from the dump for approximately four months on present mill capacity of approximately 200 tons daily.

A program of exploration of the Whitewater vein both east and west of present workings is under consideration. At the moment, President Trumbull says, this is beyond the financial resources of the company.

Current assets were $33,978 and liabilities $8,093 as at Feb. 28, 1947. Investment in and advances to subsidiary, Retallack Mines totalled $362,891.

DOMINION NICKEL MINING CORP. advises that drill hole No. 17 has reached a depth of approximately 500 ft. with disseminated nickel showing in the core. The hole is going to 1,000 ft. to check hole No. 16, 100 ft. to the east, which returned an average of $7.83 in copper and nickel across 90 ft.

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We have been advised by the Charterer of its intention to redeliver to us Twenty (20) "North Sands" type vessels as per schedule set forth hereunder:—

TENTATIVE DELIVERY DATES AS FOLLOWS:

Group No. 1—Eight (8) vessels between approximately May 1st and June 30th, 1948.

Group No. 2—Six (6) vessels between approximately July 1st and September 30th, 1948.

Group No. 3—Six (6) vessels between approximately October 1st and November 15th, 1948.

Tenders are accordingly invited for the purchase of the vessels in two units of three and one unit of two from Group No. 1, and in units of three from Group No. 2 or Group No. 3. Vessels will be selected by the Seller on or about January 1st, 1948.

No allocations will be made in respect of any tender until the vessels concerned have actually been named to us by the Charterer and, as and when allocated by us on or about January 1st, 1948, same will be subject to safe delivery at a Canadian port or elsewhere as may be mutually agreed upon.

TERMS AND CONDITIONS

(a) No tender will be considered of less than $450,000.00 for each vessel in Group No. 1; of less than $425,000.00 for each vessel in Group No. 2; and of less than $400,000.00 for each vessel in Group No. 3.

(b) Each vessel will be delivered to the successful tenderer "as is, where is," but classed by a recognized classification society.

(c) Delivery will be made at a Canadian port at Seller's option, or otherwise as may be mutually agreed.

(d) The successful tenderer to purchase all coal, lubricating oils and unbroached consumable stores on board at the time of delivery at the market price prevailing at the port of delivery.

(e) The successful tenderers to operate the vessels under Canadian registry.

(f) All sales subject to approval by Order in Council.

(g) All tenders must be accompanied with a certified cheque or bank draft for 5% of the tender price, made payable to War Assets Corporation. A further 5% deposit will be payable six months prior to the anticipated delivery or upon nomination of each vessel by the Seller, whichever is the earlier. Tenders should be addressed as follows:

TENDER FOR (NUMBER OF VESSELS AND GROUP NUMBER) 10,000 TON "NORTH SANDS" TYPE VESSELS
PARK STEAMSHIP COMPANY LIMITED,
276 St. James Street West,
Montreal 1, Que.

Tenders will close at twelve o'clock noon, Eastern Daylight Saving Time, June 17th, 1947.

Tenders received after closing time cannot be considered. The highest or any tender may not necessarily be accepted. Cheques or bank drafts will be returned to unsuccessful tenderers.

Further particulars may be had by applying to:
PARK STEAMSHIP COMPANY LIMITED
(Acting as Agents for War Assets Corporation)
276 St. James Street West, Montreal 1, Que.

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Interesting Reasons Are Put Forward Why New York Heavy Buyer of Golds

New York, a heavy liquidator of Canadian mining stocks for months, suddenly reversed its role last week.

It became a heavy buyer of senior Canadian golds — and sparked a rally in the Canadian gold mining market such as not seen here for a long time.

Why did the strong new interest come in?

The answer appears to be that United States investors finally decided that the prospects for Canadian gold mining are sufficiently improved to warrant buying.

Move Not Complete Surprise

While the entry of large-scale U. S. buying into the Canadian market was sudden, the move did not by any means come as a complete surprise. Homestake, the U. S. "Hollinger," has been outstanding in recent weeks for its strong upward movement on an otherwise declining New York board. One or two New York houses, with the increased interest in Homestake, have put special emphasis on Canadian golds. One—a few weeks ago—made pointed reference to the money McIntyre Porcupine had made years ago by storing gold.

For years before the war gold stocks had been touted as a hedge against inflation. With earnings shrinking sharply in the war and early postwar periods, however, the golds proved anything but the fine hedge against inflation called for in many circles. But with lower industrial stock prices ruling on the New York market, New York houses are reported to have found people willing to consider gold stocks as a hedge against deflation. Historically, earnings of gold mines have been highest in periods of falling commodity and supply prices.

Dollars and Gold Stocks

It may have been more than the long arm of coincidence that started the heavy New York buying on the day the news broke that the United Kingdom had lost $650 millions of U. S. dollars over a seven-week period. But market commentators were inclined to link the two.

Canadian gold stocks, it was recalled, suffered a body blow when the Canadian dollar returned to parity and the domestic price for gold suddenly dropped from $38.50 to $35 an ounce on July 1, 1946. In the present dollar crisis, some observers hold there are ingredients which could result in history repeating with (a) a discount on the dollar again, and (b) the Government asking gold mines to step up output to provide more U. S. dollars. But Ottawa hasn't revealed any intention of letting the dollar go to a discount if it can be helped.

If joint United Kingdom-Canada resources of U. S. dollars do prove insufficient, the possibility of a depreciation of the dollar—and an increase in the Canadian price of gold—cannot be entirely ruled out. It appears the United Kingdom, according to news dispatches, is canvassing the possibility of restricting imports from the United States. But she cannot restrict such imports without placing similar restrictions against other countries.

If the United Kingdom should fail to find a solution to its dollar problem, a sharp cut in the price of the pound sterling would be a natural corollary, financial circles in Toronto suggest. It is appreciated that there is an undertaking on the part of the United Kingdom not to lower the $4 price on the pound. But if ability to maintain the pound at that price should disappear, the pound would automatically go down no matter what the desire of the authorities, it is argued. The fact the blocked sterling has sold for as low as $2.50 is widely quoted as a reason for believing that the decline in the pound sterling might prove substantial if dollar resources should run out.

It would not necessarily follow that the Canadian dollar would "crack" if the United Kingdom should fail to "hold the line" on sterling. But the policy of Canada in the past has often been to hold the dollar at a point midway between the United States dollar and the pound sterling when the pound has been at a discount in relation to the dollar, it is pointed out.

Canada is not committed to any such policy in the future but there are those stock market followers that believe that if the United Kingdom dollar crisis should ultimately affect the price of the pound, Canada might choose to solve its own dollar problem by assuming its traditional middle position, on currency rates. The World Bank would have a say in what policy would be adopted.

Possible depreciation of the Canadian dollar and lifting of the domestic gold price may seem remote to legislators. There has been no indication that a discount is in any way probable. But the line of reasoning outlined has resulted in the buying of better Canadian gold stocks in New York.

Canadian gold mining in the early days of the war augmented U. S. dollar income by stepping up its output at the behest of the Dominion Government. Special tax provisions have been provided recently by the Dominion authorities to assist the gold mining industry, hard hit with increased labor and supply costs. If the Canadian dollar should fall from its present level, it is pointed out that the industry would be assisted in resuming its former role of supplying more U. S. dollars. Immediate ability to step up output might not be so great. Production today is of the order of little over $100 millions annually against a 1941 peak of $205 millions. But Canada has a large number of new properties which over the period of a year or so could supplement present output.

Chesterville to Handle 1,000-1,100 Tons a Day

Construction of buildings to house a new agitator is proceeding at Chesterville Mines and is expected to permit treatment of a considerably increased tonnage, The Financial Post is informed.

A total of 850 to 900 tons daily is being handled at present but with the new installation it is expected to treat 1,100 tons a day of new type carbonate ore or 1,000 tons daily if in excess of 15% of hard type older ore is milled.

Operating costs of $3 a ton are being achieved despite the increase in wages granted employees last December.

Lower "D" Important

Work at depth recently has opened up the new lower "D" ore body which gives indications of providing a better grade of ore. At the 15th horizon, where the body first came in, the lower "D" showed a length of more than 200 ft. with assays at 50-ft intervals from drill holes running 0.770 oz. over 2 ft., 0.055 oz. over 5 ft., 0.440 oz. over 5 ft. and 0.075 oz. over 5 ft.

On the 17th level, this ore body has become much more impressive, showing an average width of about 18 ft. It has a length of 300 ft. open to the east. Seven drill holes and four crosscuts have been put through the body at this level, the crosscuts confirming drill hole values, it is stated. Drill hole values from west to east at 50-ft. intervals show: 0.194 oz. over 32 ft.; 0.127 oz. over 25 ft.; 0.062 oz. over 20 ft.; and 0.283 oz. over 11 ft. Continuing east along the north limb, values of 0.120 oz. over 3 ft. and 0.03 oz. over 9 ft. were secured. On the south limb going east, values of 0.55 oz. over 10 ft., 0.127 oz. over 0.5 ft. and 0.207 oz. over 13 ft. were secured. Usually the highest grade ore is found toward the east end of the various ore bodies and considerable interest attaches to what might be found farther east on this ore body at depth.

"D" Good on 13th

Work on the "D" ore body at the 13th level shows an ore length of 425 ft. with west to east crosscut values as follows: 0.252 oz. over 18 ft.; 0.328 oz. over 10 ft.; 0.365 oz. over 3 ft. (drill hole); 0.226 oz. over 12.5 ft.; 0.146 oz. over 30 ft.; 0.342 oz. over 10 ft.; 0.190 oz. over 20 ft. After a slight break, the north leg of the "D" gave values of 0.125 oz. over 6 ft. and 0.410 oz. over 5 ft.

A length of 250 ft. in ore is shown on the "J" zone at this level while the "F" zone showed a length of 200 ft. which makes ore.

The "D" ore body shows recession in length to a little more than 150 ft. in length at the 15th level. The new lower "D" ore body starts to come in there.

The company is now cutting its 18th level station. It is expected that the shaft will be completed to the 20th level with crosscuts driven to the ore zone on three new levels before the end of the year. Development of present established levels and the new proposed levels is expected by the management to increase further the already strong forward ore position.

MINING CONCENTRATES

AQUARIUS PORCUPINE GOLD MINES advises that New Electra Porcupine Gold Mines has underwritten 100,000 shares at 40 cents a share, payable by May 25 and has optioned 400,000 shares at 50 cents.

* * *

BEAULIEU YELLOWKNIFE MINES advises that J. I. Oelbaum has underwritten 50,000 shares at 20 cents, payable forthwith and optioned 50,000 shares at 20 cents to June 5.

* * *

BREWIS RED LAKE MINES completed a total of 15,075 ft. of diamond drilling to end of April 30. Most important results secured were in hole 14 which returned $119.35 over 1.8 ft.

* * *

BALDWIN CONSOLIDATED MINES is reported to have confirmed representations made by former owners in recent underground examination. Visible gold was encountered on second and third levels. Underground diamond drilling is under way in an effort to outline extensions of known ore bodies.

* * *

REDCON GOLD MINES has been incorporated to acquire 43 claims in Balmer twp., Red Lake area, Ont., formerly owned by Consolidated Mining & Smelting Co. Arrangements are now being made to inaugurate a drilling program sometime in June.

* * *

COMMANDER RED LAKE MINES has made arrangements to diamond drill holdings in McDonough and Dome twps., Red Lake area, Ont., this summer.

* * *

DENISON NICKEL MINES reports that May 14 installment, comprising 100,000 shares at 20 cents, has been extended for three months.

* * *

DULUTH RED LAKE GOLD MINES plans carrying out additional diamond drilling as outlined by company geologists. Brewis & White has made a firm commitment of $10,000 and has acquired options on additional treasury shares.

* * *

GOLDVUE MINES reports that May 15 installment on 25,000 shares at 35 cents and each subsequent installment have been extended for a month.

* * *

HOTSTONE GOLD MINES advises that only two holes of 26 drilled returned interesting values. Work has been suspended pending development in the area.

* * *

LAKE ROWAN (1945) MINES is still awaiting delivery of hydro power to carry out its underground program. In the meantime, plant and equipment are being installed.

* * *

MYLAMAQUE MINES expects to start shaft sinking by early summer and in the meantime is clearing bush for shaft site. Since commencing drilling operations approximately 57,090 ft. of drilling has been completed. Company is also drilling a lead, zinc, copper and silver showing in Figuery twp., Que.

* * *

NORZONE ROUYN MINES has received payment of $10,000 to apply on balance of May 15 underwriting installment of $29,400.

Dickenson Drifts Run 90% in Ore

Ninety per cent of drifting completed from the crosscuts driven at Dickenson Red Lake Mines has been in ore, Brewis & White Ltd., financial sponsors, report.

Over 2,500 ft. of underground work has so far been done, most of which has consisted of crosscuts to ore bodies indicated in surface diamond drilling.

The annual meeting is to be held June 7, 1947, and reports are being sent to shareholders.

Joburke Bidding On Berwick-Rush

Joburke Gold Mines has made an offer to purchase assets of Berwick Gold Mines and Rush Lake Gold Mines, excepting 415,000 Joburke shares held by each company, The Financial Post is advised. Consideration is one share of Joburke for each two shares of either Berwick or Rush Lake.

On the basis of one for two transfer, 1,470,005 shares of Joburke will be issued. Concord Mining Synd. originally received 120,000 shares for property and staker received 250,000 shares. Upon completion of Berwick-Rush Lake deal some 829,995 shares will be available for financing.

Immediate development plans for Joburke call for sinking a shaft and instituting underground work as recommended by Dr. E. G. Bishop, consulting geologist.

Geological Map Out On Balmer Township

A preliminary geological map of Balmer twp., Red Lake area, Ont., has been prepared by E. O. Chisholm, geological branch, and is available free of charge from the Ontario Department of Mines. Gold is the only mineral mined in the area, the report states, and concentrations large enough to warrant underground development have been discovered at the Campbell and Dickenson properties.

Extensive development has been done in the township in the past two years and, owing to heavy overburden, prospecting has been largely carried on by diamond drilling. Approximately 12 miles of drilling has been completed by 35 companies operating within the township, the report adds.

Detta Shaft Sinking To Commence in July

Arrangements have been completed to start shaft sinking at Detta Red Lake Mines early in July, The Financial Post is informed. In the meantime, diamond drilling to cut the present indicated ore horizon at lower depths is now in progress.

Deep drilling program so far has returned commercial ore and has confirmed visible gold intersections encountered in the upper horizon.

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What Industry Vitally Needs!

To my mind what industry vitally needs is increased production caused by a continuity of operations.

This can only be brought about by a prompt change of mental attitude on the part of our citizens.

Then I think a solution can be attained by proper new laws, fair to labor, management, customers and shareholders alike.

The world which we cherish is passing through great and serious changes and has amassed enormous debts during the past ten years.

It is now evident that we must work harder and longer and possibly accept less remuneration for our efforts.

Only in this way I think can prosperity be continued.

Chairman and President
The International Nickel Company of Canada, Limited

FROM ANNUAL ADDRESS TO SHAREHOLDERS, April 30, 1947

NOTE: Copies of Mr. Robert C. Stanley's complete address may be obtained by sending your request to Dept. C, International Nickel Company of Canada, Limited, 25 King St. W., Toronto, Ontario.

EMBLEM OF SERVICE
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Tories Draft New Industrial Policy Royal Commission May Probe Co-ops

LONDON—Premier Drew of Ontario arrived in London in a blaze of sunlight and publicity. The weather is so hot that men are leaving off their waistcoats while women are wearing flimsy cotton dresses and not much more. The parks are radiantly lovely and if only London could paint its face a bit, it would look like its old irresistible self.

The newspapers say that Col. Drew is here to discuss the allocation of clothing gifts which Ontario gathered for flood victims. The generosity of Canadians has made the British humbly yet proudly grateful. The newspapers also say that Drew is going to discuss emigration to Ontario from the British Isles, as well as better trade relations. Major James Armstrong, the Ontario Agent-General, is giving a reception for him, when it is expected the Anglo-Canadian colony will turn up in force.

* * *

That usually well-informed political weekly The Recorder has published some shrewd comments on the Ontario Premier. It declares that, like Mr. Churchill, the Colonel likes to say what is in his mind and damn the consequences. This, in the opinion of The Recorder, may count against him as a possible federal leader if a vacancy should arise or be created. It also mentions a controversy about cocktail bars in Ontario which has shocked non-conformist opinion in the capital of Ontario which is mysteriously described as "Toronto the Good."

Whether The Recorder is just chancing its arm or whether it really knows something about the Canadian background is hard to say. It gives great praise to Drew but declares that he has contrived to antagonize the Methodists, the French Canadians, the Roman Catholics and Mr. Mackenzie King, which seems a lot.

* * *

Lord Beaverbrook is expected back after an absence of months in North America. I don't suppose Max has been away so long since he burst upon the British scene in the late '90's. Fleet Street is getting ready for trouble, and the politicians are sharpening their swords. Beaverbrook has a double platform if he wants to address the nation. He can use his newspapers and as a Peer he can speak in the House of Lords. The nation will be eager to hear his views after this long silence.

* * *

Morrison Back In Harness Too Soon?

There was a curious, excitable scene in Parliament which might have been partially attributable to the heat or to the strain of the long hours which the House sits. The Conservatives were making their usual complaint about not being allowed enough time for, in this case, the Town and Country Planning Bill. Herbert Morrison, leader of the House, was defending the time-table when Oliver Stanley, who is the younger son of Lord Derby, said that if Morrison had spent as many minutes on the Front Bench as the Tories had spent hours on their benches, he would know why more time was required.

Morrison jumped to his feet and almost spat out the words: "That is the kind of aristocratic insult I would expect from Stanley. The whole House knows why I could not be in my place."

At this the old Mother of Parliament broke into an uproar, the Tories demanding that Morrison should explain what he meant, and the Socialists indicating that the Tories were a lot of cads. Morrison, however, refused to speak again.

I am afraid that he resumed his Parliamentary duties too soon. The day that he returned from his convalescence in the South of France he looked buoyant and even robust. Already he seems tired and pale, which no doubt, accounts for his absence from the debate. I doubt if he can continue to lead the House and act as Chairman of innumerable Cabinet Committees. On the other hand he is the only first-class Parliamentarian on the Government Bench. The Government was like a ship without a pilot while he was away.

* * *

Ernest Bevin, however, has come back from Russia looking like a two-year-old. I hear that when the Socialists hold their annual conference at Margate he will demand a vote of confidence in his foreign policy. If it is practically unanimous, he may then resign as Foreign Secretary and take on the job of super-planner for industry. If, however, there is a substantial vote against him, he will remain at the Foreign Office. In other words, he refuses to be booted out by the rebels.

* * *

Tories Draft New Industrial Platform

The Conservatives, after a long period of gestation, have produced an Industrial Report and Workers' Charter. The nine M.P.'s who were responsible for it journeyed up and down the country consulting employers and workers and did their job thoroughly. To the chagrin of some of the Tory diehards, the report states that the Conservatives, if returned to power, will not denationalize the coal mines or the railways or the Bank of England. On the other hand, they will not permit nationalization of iron and steel.

The Workers' Charter is too elaborate to discuss in these notes but it opens up an entirely new relationship between management and workers. On the whole, it has had a good reception from the press.

* * *

Despite the constant predictions of a coming financial crash the Stock Market continues buoyant and prices climb slowly upwards. Dividend announcements are satisfactory, despite the crushing taxation and even tobacco shares are recovering from the solar plexus blow administered by the Chancellor.

Incidentally the extra shilling tax on cigarettes which brings the price of a package of 20 to three shillings and four pence compared with one shilling before the war, has placed the Chancellor and the co-operative societies in an awkward position. By paying a shilling anyone can become a member of a co-operative society and then purchase a package of cigarettes for the universal price of 3/4d. But if the society then declares its "divi" or rebate for the week at two shillings in the pound, the purchaser will be repaid fourpence which is much more than the Co-op's profit on the transaction. In other words, the co-op member who buys a pram must subsidize the cigarette purchaser in what really amounts to a remission of taxation.

The co-ops fear that they may be overwhelmed by tobacco purchases, so that they will have to reduce their divi, yet they hesitate to refuse a divi on tobacco for fear that it will show the basic unfairness of their method of trade compared with the ordinary shopkeeper who is taxed on his profits.

* * *

May Ask Commission To Probe All Co-ops

Chancellor Dalton's position is embarrassing for two reasons:

1. Because the co-operative societies help to finance the Labor Party.

2. Because he put up the price of tobacco in order to decrease imports from America and now finds that the co-ops are offering a method of overcoming his purpose.

It will not be surprising if the Tories demand a Royal Commission into the whole system of cooperative trading, with its deadly inroad on national revenue. Since the Government has appointed a Royal Commission to enquire into the Press, it would have difficulty in refusing the Tory demand.

But these are dull subjects for a perfect day. Therefore let us put on record that the Royal Family has returned and everyone, except the editor of the Daily Worker, is delighted. We know that George VI is King of Canada and the other Dominions as much as he is King of England, and we like to see him visit our kinsmen overseas; but this is his home, and the old town is not the same without him and his three ladies.

Windsor Planning Industrial Board

From Our Own Correspondent

WINDSOR—Spurred by the location of 44 new industries here in the last two years, representatives of the Windsor Chamber of Commerce and Mayor Arthur J. Reaume are planning an Industrial Commission.

Declaring that expansion of Windsor's industrial life can only be promoted by co-operation of all groups, the Mayor appealed to the Chamber of Commerce to lead and advise in the formation of a Commission. Robert H. Wilson, K.C., president of the Chamber, pledged full support. He and E. R. Musselman, chairman of the Chamber's industrial promotion committee, will meet with the mayor to make plans for the proposed commission.

Mr. Musselman said the new body's first duty should be to assist industries now located in the city. In this regard, Mayor Reaume said the city's progress in paying off its debt, reduced by $10 million since 1937, meant a re-establishment of municipal credit and a correspondingly sound financial position, which meant a great deal to industries.

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DORION RED LAKE MINES has completed 4,282 ft. of drilling so far but no encouraging results have been encountered. Company has entered into an agreement with Clicker Red Lake Mines whereby development of McCallum-Moore property will be carried out this summer.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA FLOORING CO. net profit was up 11.8%. Sales of company amounted to $1.174,817 as compared with $800,286 the previous year. Materials and supplies were more difficult to obtain and higher priced than in 1945. Demand for company products has reached the point where the company is obliged to refuse orders. At the end of the fiscal year, orders on hand were sufficient to assure maximum capacity for five months.

INCOME ACCOUNT

Years Ended Oct. 31:	1946	1945
Net earnings	$206,775	$203,046
Less: Deprec.	5,704	......
Bond int.	753	......
Prov. for taxes	105,957	118,630
Net profit	94,361	84,416
Less: Dividends	30,600	......
Surplus for year	63,761	......
Earnings per Share† and Dividend Record:		
Class A	$2.31	$2.07
Paid	0.75	....
Class B♦	1.31	1.07
None paid.		

†Based on present outstanding capitalization.
♦After deducting full year class A divd.

CONDENSED BALANCE SHEET

As at Oct. 31:	1946	1945
Cash	$118,234	$20,407
Investments at cost	201,983	250,393
Accts. rec.	118,271	80,538
Inventories	389,757	131,826
Total curr. assets	828,245	483,164
Deferred expenses§	12,355	505
Misc. assets▲	50,555	67,412
Fixed assets*	255,310	229,791
Total assets	1,146,465	780,872
Total curr. liab.	234,282	139,720
Funded debt	201,044	......
Capital stock	340,000	340,000
Capital surplus	91,854	91,854
Earned surplus▲	279,285	209,298
§Shown as current assets in co's. report.		
▲Incl. ref. EPT	45,527	42,292
*After deprec. of	264,475	262,021
Working capital	593,963	343,444

CANADIAN INGERSOLL-RAND 1946 net profit was up 17.5% from previous year's retained profit. Net earnings of $1,522,095 included dividend of $35,625 from a wholly-owned subsidiary company and $41,831 in interest on investments, savings discounts, etc. Surplus after dividends amounted to $471,665 ($348,132 in 1945).

INCOME ACCOUNT

Years Ended Dec. 31:	1496	1945
Net earnings	$1,522,095	$1,930,135
Less: Deprec.	125,099	109,995
Income tax▲	549,015	1,098,652
Net profit	847,981	721,488
Less: Dividends	376,316	373,356
Surplus for year	471,665	348,132
▲Incl. ref. EPT	......	123,412
Earnings per Share and Dividend Record:		
Excl. ref. EPT	$4.47	$3.83
Incl. ref. EPT	4.47	4.49
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$693,825	$638,565
Bonds, at cost‡	2,025,550	2,124,800
Accts., etc., rec.	1,343,022	1,544,698
Inventories	2,911,833	2,455,924
Total curr. assets	6,974,230	6,763,987
Inv. & adv. sub.	12,500	262,500
Misc. assets▲	280,004	273,208
Fixed assets	627,476	551,129
Total assets	7,894,210	7,850,824
Accts. & tax. pay.	789,769	1,137,965
Advance payts.	650,210	765,731
Total curr. liab.	1,439,979	1,903,696
Capital stock	1,524,635	1,480,010
Capital surplus	......	139,367
Earned surplus▲	†4,929,596	4,327,751
†Reflects transfer of $139,367 from capital surplus.		
‡Market value	2,036,175	2,131,700
▲Incl. ref. EPT	224,613	233,800
Working capital	5,534,251	4,860,291

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MOLDY... and GOODYEAR!

RESULTS of an actual survey made on cars at Woodbine Park, Toronto, scene of the King's Plate, May 24, 1947, showed that 38% OF ALL TIRES WERE GOODYEARS

GOODYEAR. 38%
2ND TIRE... 15%
3RD TIRE... 7%
4TH TIRE... 6%
5TH TIRE... 5%
6TH TIRE... 5%
7TH TIRE... 3%
All Others... 21%

They're off! Around the first turn . . . down the long back stretch . . . into the straightaway . . . and the crowd roars as Moldy drives under the wire to victory!

Inside and outside Woodbine Park, Toronto, squads of survey men are making a count of all tires on cars jam-packed on parking lots and neighboring streets.

The count is finished . . . and Goodyear wins . . : outnumbering all other makes of tires by a wide margin. (See results in panel at left.) Once again, as for 32 consecutive years, the proof of public preference is plain. No matter what the event, where it is, or when it is, you'll find More Goodyear Tires Than Any Other Kind.

Let this overwhelming preference for Goodyear's extra mileage, extra safety and extra economy be your buying guide. See your Goodyear dealer today.

WARNING: *Over-inflation promotes skidding and slipping; under-inflation leads to premature tire failure. Be sure of proper tire pressure for your car. Consult your Goodyear dealer.*

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